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LEGISLATIVE HISTORY

Public Law 391--79th Congress

Chapter 271--2d Session

H. R. 5604

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LICEST OF PUBLIC LAW 391

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION ACT, 1946.

Includes the following rescissions: Emergency supplies for territories and possessions, USDA, \$3,800,000; Office of Fishery Coordination, Interior, \$12,000; Office of Scientific Research and Development, \$555,000; lend-lease, \$1,080,000,000, to be deducted from such categories as the State Department may determine; Employees' Compensation Commission, \$1,300,000; FWA community facilities, \$5,750,000; emergency safeguarding of public buildings and property, \$75,000; contract authority for construction of buildings in D. C., \$3,673,001; and transfer of \$135,000,000 to UNRRA.

INDEX AND SUMMARY OF HISTORY ON H. R. 5604

January 28, 1946	Hearings: House, H. R. 5604.
February 27, 1946	House Appropriations Committee reported H. R. 5604. Committee Print of the bill and report. Print of the bill as reported. House Report 1671.
March 13, 1946	Debated in House and passed with amendments.
March 14, 1946	H. R. 5604 referred to the Senate Committee on Appropriations. Print of the bill as Referred.
March 25, 1946	Hearings: Senate, H. R. 5604.
April 3, 1946	Senate Committee on Appropriations reported H. R. 5604 with amendments. Senate Report 1103. Subcommittee print of the bill and print of the bill as reported.
April 8, 1946	Debated in the Senate and passed as reported. Print of the bill with the amendments of the Senate numbered. Senate Conferees appointed.
April 30, 1946	House Conferees appointed.
May 2, 1946	House received Conference Report. House Report 1976.
May 9, 1946	House agreed to Conference Report.
May 14, 1946	Senate agreed to Conference Report.
May 27, 1946	Approved. Public Law 391.

from 15% to 25%; (8) disallowance of \$10,000,000, or about one-half of Budget increase, for expansion of forest highway work; (9) disallowance of \$1,500,000 of the \$3,899,276 increase requested for white pine blister rust control, the cut being applicable to work on State and privately owned lands; (10) cuts in BAE Budget estimates, principally under the "economic investigations" item where all Budget increases were disallowed and, in addition, a cut of \$454,500 below 1946. Language was inserted prohibiting maintenance of regional offices and the conduct of social surveys; (11) increase of \$1,000,000 above Budget for the purchase of equipment by SCS from government surplus for loan and grant to conservation districts; (12) disallowance of the proposed \$479,000 increase for aerial photography and mapping on national forests, and \$50,000 of the proposed increase of \$100,000 for forest recreational areas; (13) increase of \$480,000 above Budget for establishing 16 additional experimental forests; (14) disallowance of increases totaling \$346,292 for payments to States for agricultural experiment stations; (15) reduction of \$500,000 (from \$5,000,000 to \$4,500,000, which is \$116,965 below 1946) in REA administrative expenses. The Committee also inserted language prohibiting use of REA administrative funds for processing or approving any loan unless the loan application contains certain stipulations with respect to bids received by borrowers for contractual work; (16) reduction of estimate for water facilities loans in arid and semiarid areas by \$500,000, to bring it down to the level of expected current year loan funds; (17) disallowance of all but one of several increases, totaling \$110,000, in ARA and BAE, for research studies of problems relating to agriculture in Alaska, with provision of \$20,000 in lieu thereof to enable ARA Administrator to make "exploratory investigations" in Alaska as a basis for further recommendations in the 1948 Budget; (18) insertion of language under the Office of the Secretary, the effect of which is to require the operation of only one warehouse inspection service in the Department, the funds therefor to be transferred, consolidated, expended, and accounted for as a single fund; and (19) restoration of language in connection with employment under the item "Loans, grants, and rural rehabilitation," thereby again rendering funds under that head not available for paying the compensation of any person appointed in accordance with the civil-service laws.

2. SCHOOL LUNCH BILL. Reps. Flannagan, Cooley, Zimmerman, Pace, Hope, Kinzer, and Andresen were appointed conferees on this bill, H. R. 3370 (p. 1759). Senate conferees were appointed February 26.
3. HOUSING. Continued debate on the Patman housing bill, H. R. 4761, which provides for price control and subsidies on housing (pp. 1767-83).
4. MARCOTICS. Received the conference report on H. R. 2348, to cover certain drugs under the narcotic laws (p. 1783). The conferees agreed to the Senate amendment to make it possible for millers to produce hemp fiber from the hemp plant without incurring liability for the tax which is imposed upon transfers of marihuana.
5. RURAL ELECTRIFICATION. Rep. Savage, Wash., spoke in favor of an investigation of "lobbying" against REA and TVA by the electric companies (pp. 1784-7).
6. TRANSPORTATION INVESTIGATION. The Rules Committee reported without amendment H. Res. 318, to direct the Interstate and Foreign Commerce Committee to investigate the transportation situation with a view to recommending legislation that will result in a consistent public policy fair to all competing agencies of transport, to the using and investing public, and to labor, to the end that the country's commerce may be moved with the greatest degree of economy, safety, and dispatch (H. Rept. 1660) (pp. 1758-9).
7. SALARY APPROPRIATIONS. Received from the President a proposed revision for this Department of the appropriation estimates included in H. Doc. 437 pursuant to Public Law 106, the Federal Employees Pay Act (H. Doc. 487). To Appropriations Committee. (p. 1790.)
8. BONNEVILLE REPORT. Received from the Interior Department a report and financial statement of the Bonneville Administrator covering the transmission and sale of electric energy for the fiscal year 1945. To Rivers and Harbors Committee. (p. 1790.)
9. EMPLOYEES' COMPENSATION COMMISSION report received. To Judiciary Committee. (p. 1790.)
10. APPROPRIATION RESCISSIONS. The Appropriations Committee reported H. R. 5604, the second supplemental surplus appropriation rescission bill, 1946 (H. Rept. 1671) (p. 1790). The bill includes the following items: Emergency supplies for territories and possessions, U. S. D. A., \$5,000,000 (Budget estimate was \$2,500,000); Office of Fishery Coordination, Interior, \$12,000; Office of Scientific Research and Development, \$555,000; lend-lease, \$1,080,000,000, to be deducted from such of the categories as may be determined by the State Department; Employees' Compensation Commission, \$1,300,000; FWA community facilities, \$5,750,000; emergency safeguarding of public buildings and property, \$75,000; construction of public buildings outside D. C., \$15,662,600; construction of public buildings in and near D. C., \$1,500,000; contract authorization for construction of buildings in D. C., \$3,673,001.

The Committee report states: "While the total of rescissions made and now proposed is prodigious, the committee believes that it may be appreciably added to and intends to conduct another inquiry before the close of the fiscal year...."

bill may be reported out for a vote on the floor of the House.

PALESTINE JEWISH HOMELAND

The SPEAKER. Under the previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 10 minutes.

Mr. LANE. Mr. Speaker, now that the world takes inventory of human sufferings; of human blood consumed by the ravages of war; of the many victims sacrificed on the altar of nazism, we find startling confirmation of what we regarded at one time as gross exaggeration.

All of us aspired to supreme sacrifice which led to the defeat of nazism. One people, however, gave one-third of its population in the course of this conflagration. Unlike the soldier on the field of battle, these human beings met their death through the gas chambers and crematories. In the modern history of mankind, nay, in the entire history of mankind, such infamous carnage has never been perpetrated. We find no parallel to such atrocities.

I am speaking of the Jewish people; not a member of the United Nations; not represented on the Repatriations Commission, but well represented in the toll of human sacrifice. This people has contributed a greater percentage in human lives than all of the United Nations combined except Russia. One-third of 17,000,000 Jews have perished so that the remnant of Jewry may be restored to its rightful place among the United Nations, so that democracy may survive.

But, alas, what have we? When Prime Minister Churchill called upon the United States of America, "give us the tools and we will finish the job," America's magnificent answer made a brilliant gleam in those dark pages of history. Our children and children's children will not in their lifetime complete payment for the tools we sent. Now, however, it looks as if these tools are being used not to finish the job for democracy, for decency, but to finish a job that Hitler began and did not succeed in finishing.

These lease-lend tools which we have sent across, totaling \$6,000,000,000—with the United States receiving only 10 cents on the dollar—are now being used for the expansion of imperialism. Great Britain now concentrates its military and naval power—its warships, its submarines, its airplanes, motorized divisions, and air-borne troops—all this power is being mobilized and concentrated on the shores and on the soil of the tiny country—a territory smaller than Ohio—against a peaceful and peace-loving population half that of Indiana.

That might of the Empire is being massed against the survivors of Oswiecim and Bergen-Belsen—of the death factories and crematoria—against those wretched survivors whom Hitler did not quite succeed in exterminating.

For reasons incomprehensible to humane civilizations, Great Britain insists that the 1,400,000 survivors remain in the concentration camps behind barbed wire, on starvation rations, with ragged prison clothes, in the hope that natural

hazards will contribute to their depletion and ultimately solve the problem. Nothing has changed in the concentration camps of Europe. Only the landlords have changed.

All this is being done, not by an enemy nation to an enemy nation but to a people who were Hitler's first adversaries and victims—to a people who gave the first warning of the impending storm. All this is being done, not on British soil but in a country which does not even belong to Great Britain—a territory that was entrusted to her by international agreement—not to dominate, not to control, not to subjugate, not to enslave, not to rape, and not to plunder, but to look after as a faithful trustee, so that these people and their country may redeem life and dignity and the pursuit of happiness.

Through intrigue, manipulations, and questionable motives, the British have purportedly united feudal Arab lords into an Arab league to represent a semblance of opposition to Jewish hopes and aspirations, the nature of this opposition, according to yesterday's press—and I quote the Minister of Saudi Arabia to the United States—is "Palestine cannot support the homeless Jews of the world when its Arab inhabitants have been able for centuries to eke out only the most meager existence." What a mockery of fact. What a primitive challenge to the truth. The Arabs in Palestine have repeatedly credited their prosperity and higher standard of living to universal Jewish wealth which was poured into Palestine. The standard of living in other Arab countries, including Saudi Arabia, wherein to this day arch war criminals are being sheltered, falls far behind in comparison with Palestine. The British propagandists in the United States should indeed keep closer watch on their puppets.

These facts were supplied to me by the Political Action Committee for Palestine, Inc., of which I am a member, in conjunction with the Call for Judgment scheduled for March 5 at Madison Square Garden, under the auspices of the Palestine Emergency Fund. This Call for Judgment is a dramatization of facts; of evidence against the British Colonial Office; a series of violations of international agreements; of broken faith and desecrated ideals; of the curtailment of civil liberties of Palestine; of concentration camps and imprisonment without trial. The American people will on that evening serve on the jury; I have been asked to invite the Members of this Chamber who so ably guard the Constitution of the United States to also serve on this jury.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts (at the request of Mr. GAMBLE) was given permission to extend his remarks in the Appendix of the RECORD and include a statement made today before the Military Affairs Committee.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DAUGHTON of Virginia (at the request of Mr. BLAND), for February 27

and 28 and March 1, on account of official business.

To Mr. GILLETTE (at the request of Mr. WOLFENDEN of Pennsylvania), for the remainder of the day, on account of illness.

To Mr. ALMOND, of Virginia, for February 28 through March 4, on account of official business.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 56. Concurrent resolution increasing the limit of expenditures for the investigation of the Pearl Harbor attack; to the Committee on Accounts.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 854. An act for the relief of Isabel Carlson;

H. R. 1315. An act for the relief of B. Pendino;

H. R. 1464. An act for the relief of Leonard Hutchings;

H. R. 1489. An act for the relief of Harold B. Alden and Walter Strohm;

H. R. 1848. An act for the relief of Max Hirsch;

H. R. 2168. An act for the relief of Charles Zucker;

H. R. 2171. An act for the relief of Solomon Schtlerman;

H. R. 2240. An act to credit certain service performed by members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service prior to reaching 18 years of age for the purpose of computing longevity pay, or for other pay purposes;

H. R. 2270. An act for the relief of Harry C. Westover;

H. R. 2289. An act for the relief of Arnold Mecham;

H. R. 2393. An act for the relief of Elsie Peter;

H. R. 2452. An act for the relief of Sam Kalak;

H. R. 2661. An act for the relief of W. D. Jones and Ethel S. Jones;

H. R. 2724. An act for the relief of the legal guardian of Forest Eldon Powell;

H. R. 2728. An act for the relief of R. H. Sindle;

H. R. 2769. An act for the relief of C. Frank James;

H. R. 2963. An act for the relief of William Phillips;

H. R. 2974. An act for the relief of the estate of Bobby Messick;

H. R. 3028. An act to amend the act of August 17, 1937, as amended, relating to the establishment of the Cape Hatteras National Seashore Recreational Area in the State of North Carolina;

H. R. 3046. An act for the relief of Thomas A. Butler;

H. R. 3444. An act to grant the title of public lands to the town of Safford, Ariz., for the use of its municipal water system;

H. R. 3514. An act for the relief of the legal guardian of Olga Stanik, a minor;

H. R. 3614. An act to ratify and confirm Act 33 of the Session Laws of Hawaii, 1945, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945;

H. R. 3657. An act to ratify and confirm Act 32 of the Session Laws of Hawaii, 1945;

H. R. 3730. An act granting the consent of Congress to the State of West Virginia to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Star City, W. Va.;

H. R. 3784. An act for the relief of C. H. Brumfield;

H. R. 3940. An act to revive and reenact the act entitled "An act granting the consent of Congress to Rensselaer and Saratoga Counties, New York, or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, New York", approved April 2, 1941;

H. R. 4249. An act for the relief of Lucy Delgado and Irma M. Delgado; and

H. R. 4652. An act to provide credit for past service to substitute employees of the postal service when appointed to regular positions; to extend annual and sick leave benefits to war service indefinite substitute employees; to fix the rate of compensation for temporary substitute rural carriers serving in the place of regular carriers in the armed forces; and for other purposes.

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 136. Joint resolution changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration of the one hundredth anniversary of the birth of William Frederick Cody, better known as Buffalo Bill.

ADJOURNMENT

Mr. BROWN of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 16 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Thursday, February 28, 1946, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

(Thursday, February 28, 1946)

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Thursday, February 28, 1946, at 10 a. m., in committee room 356, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

(Thursday, February 28, 1946, and Friday, March 1, 1946)

The Committee on the Post Office and Post Roads will hold hearings on Thursday, February 28, 1946, and Friday, March 1, 1946, at 10 a. m., on H. R. 5059, a bill to provide temporary additional compensation for postmasters and employees of the postal service.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1097. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended; to the Committee on World War Veterans' Legislation.

1098. A letter from the Chairman, Federal Power Commission, transmitting a copy of the 1944 edition of Statistics of Natural Gas Companies; to the Committee on Interstate and Foreign Commerce.

1099. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide for the rank of original appointments in the Corps of Civil Engineers of the United States Navy, and for other purposes; to the Committee on Naval Affairs.

1100. A letter from the Acting Secretary of the Interior, transmitting a complete report and financial statement of the Bonneville Administrator covering the transmission and sale of electric energy for the fiscal year ended June 30, 1945, made under the provisions of section 9 (c) of the Bonneville Act (Public Law 329, 75th Cong., approved Aug. 20, 1937); to the Committee on Rivers and Harbors.

1101. A letter from the secretary, United States Employees' Compensation Commission, transmitting a copy of the annual report of the United States Employees' Compensation Commission covering the fiscal year ended June 30, 1945; to the Committee on the Judiciary.

1102. A communication from the President of the United States, transmitting a proposed revision for the Department of Agriculture, in the form of amendments to House Document 437, Seventy-ninth Congress (H. Doc. No. 487); to the Committee on Appropriations and ordered to be printed.

1103. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$247,000 for the legislative branch, House of Representatives (H. Doc. No. 488); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. TARVER: Committee on Appropriations. H. R. 5605. A bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1947, and for other purposes; without amendment (Rept. No. 1659). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 318. Resolution to authorize the investigation of the transportation system; without amendment (Rept. No. 1660). Referred to the House Calendar.

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 5604. A bill reducing or further reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes; without amendment (Rept. No. 1671). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON of North Carolina: Committee of conference on the disagreeing votes of the two Houses. H. R. 2348. A bill to provide for the coverage of certain drugs under the Federal narcotic laws (Rept. No. 1672). Ordered to be printed.

Mr. SABATH: Committee on Rules. House Resolution 536. Resolution waiving points of order on H. R. 5605, a bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1947, and for other purposes; without amendment (Rept. No. 1673). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. JENNINGS: Committee on Claims. H. R. 2509. A bill for the relief of the legal guardian of Jimmy Martin, a minor; with

amendments (Rept. No. 1661). Referred to the Committee of the Whole House.

Mr. HEDRICK: Committee on Claims. H. R. 2682. A bill for the relief of John Doshim; with amendment (Rept. No. 1662). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 2848. A bill for the relief of the legal guardian of Wilma Sue Woods, Patsy Woods, Raymond E. Hilliard, and Thomas E. Hilliard, minors; with amendments (Rept. No. 1663). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 3365. A bill for the relief of Kay Beth Bednar; with amendment (Rept. No. 1664). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 3591. A bill for the relief of Addie Pruitt; with amendment (Rept. No. 1665). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 3846. A bill for the relief of Lt. Samuel Adams Lynde, United States Navy; with amendment (Rept. No. 1666). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 4270. A bill for the relief of Southern California Edison Co., Ltd.; without amendment (Rept. No. 1667). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 4414. A bill for the relief of Eva D. Champlin, Robert H. Howell, Emily Howell, and Stella Ward; with amendment (Rept. No. 1668). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 4537. A bill for the relief of Lillian Jacobs; without amendment (Rept. No. 1669). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 4607. A bill for the relief of Margaret Lee; with amendment (Rept. No. 1670). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Missouri:

H. R. 5604. A bill reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes; to the Committee on Appropriations.

By Mr. LAFOLLETTE:

H. R. 5606. A bill authorizing the Indiana State Toll Bridge Commission to construct, maintain, and operate a toll bridge or a free bridge across the Wabash River near Mount Vernon, Ind.; to the Committee on Interstate and Foreign Commerce.

By Mr. O'BRIEN of Michigan:

H. R. 5607. A bill to amend the act of February 3, 1944, known as the Mustering-out Payment Act of 1944, so as to extend the time within which application may be made by members of the armed forces discharged prior to the enactment of the act; to the Committee on Military Affairs.

By Mr. POAGE:

H. R. 5608. A bill relating to the disposition of certain surplus property located outside the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. KEARNEY:

H. R. 5609. A bill authorizing a preliminary examination and survey of the Mohawk and Hudson Rivers, N. Y., with a view to the elimination of the water chestnut; to the Committee on Rivers and Harbors.

By Mr. RIZLEY:

H. R. 5610. A bill relating to the disposition of certain surplus property located outside the United States; to the Committee on Expenditures in the Executive Departments.

NOTICE.—This report is given out subject to release when consideration of the bill which it accompanies has been completed by the whole committee. Please check on such action before release in order to be advised of any changes.

79TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } No. 1671

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

FEBRUARY 27, 1946.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 5604]

The Committee on Appropriations, to whom was referred the bill (H. R. —) entitled "A bill reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes," report the measure with a favorable recommendation for its early consideration and passage by the House.

The bases for the rescissions proposed in the accompanying measure are contained in House Document No. 394 of the present Congress. A summation of them follows as well as of the recommendations of the committee thereon:

	H. Doc. 394	Bill	Increase
Cash:			
Executive agencies.....	\$1,503,971,475	\$1,852,780,875	+\$348,809,400
Military Establishment.....	1,420,576,472	1,615,926,369	+195,349,897
Navy Department and naval service.....	2,826,880,536	3,166,992,924	+340,112,388
Total, cash.....	5,751,428,483	6,635,700,168	+884,271,685
Other obligational availability:			
Contractual authorizations.....	420,070,000	468,673,001	+48,594,001
Corporate funds.....	346,890	446,890	+100,000
Administrative expense limitations.....	6,212,000	7,410,000	+1,198,000
Total, other obligational availability.....	426,637,890	476,529,891	+49,892,001
Grand total.....	6,178,066,373	7,112,230,059	+934,163,686

In previous measures of the present and preceding sessions of this Congress rescissions have been effected as follows:

Cash.....		\$50, 771, 861, 872
Other obligational availability:		
Contractual authorizations.....	\$10, 478, 231, 473	
Corporate funds.....	1, 190, 500	
Administrative expense limitations.....	9, 318, 307	
		10, 488, 740, 280
Total.....		61, 260, 602, 152

This measure, as presented, therefore, would raise the total of cash rescissions to \$57,407,562,040 and the total of cancellations of contractual authorizations to a gross amount of \$10,943,231,473, but a net amount of \$5,246,046,297 because \$5,597,185,176 of the cash rescissions are for liquidating that amount of such total of contractual authorizations.

While the total of rescissions made and now proposed is prodigious, the committee believes that it may be appreciably added to and intends to conduct another inquiry before the close of the fiscal year, particularly as regards funds available to the armed services. It is manifest from the expenditure and obligation figures in House Document 394 as to such services that either such figures are overstated or the projected expenditures for the fiscal years 1946 and 1947, contained in the 1947 Budget, are understated. It may develop that the difference will appreciably narrow as the fiscal year nears its close by further contract terminations or the contraction of programs under way and the abandonment of others not yet undertaken. Firmer figures also will become available as the year progresses.

With respect to contract terminations thus far effected, the committee's inquiry brought out the fact that settlements thereof are lagging in many cases because contractors see a real or potential pecuniary advantage in waiting. The following is quoted from the hearings on the accompanying bill of a flagrant instance of this kind (p. 496):

Admiral COCHRANE. We have—not seriously—some difficulty, and in one or two cases we have actually forced advance payment on a contractor who did not want to settle—I mean he was not unpleasant about it, but he preferred not to settle because he was getting a considerable interest return on the balance Uncle Sam owed him. In that case we simply made an estimate, as nearly as we could, of what would be his ultimate requirement and paid him all but a million dollars of it. We gave him a check for 18½ million dollars, which he had to take, of course, and that left our expended balance to him something in the order of maybe \$600,000. But that cut an interest bill of about \$40,000 a month out entirely.

It is the duty of every Federal official having a responsibility in such matters to press for settlements with the greatest possible dispatch consistent with arriving at mutually equitable solutions, and when they fail to do so, they are not faithfully discharging their obligation to the Government.

These appropriation rescissory measures (this is the fourth) offer the surest and quickest way of getting war-swollen appropriations down to levels that will make possible a balanced budget, and in the

early attainment of that objective it is important that the scaling down process in the current fiscal year be accomplished in a way that will dovetail with the appreciably reduced budget that has been presented for the ensuing fiscal year, within the bounds of which there should be every effort to stay. Precipitate drops at the close of the present fiscal year should be guarded against as much as practicable. Living within the new budget would mean no later augmentation of appropriations. Pay rolls and other expenses at the start of the year should be at levels which the initial appropriations could maintain. With the end of this fiscal year readjustment and stabilization should have progressed to the point where deficiency or supplemental appropriations should not be necessary except to implement laws enacted or to meet pressing needs arising after the regular annual appropriations have been made.

A table commences on page 10 hereof, which shows as to each 1946 or no-year appropriation affected by the bill the availability at the beginning of the fiscal year, rescissions made and proposed, the balances remaining, and obligations as of October 31, 1945. A more complete itemization is contained in House Document 394. These data should suffice as a report on most of the items, as to each of which the committee has made a detailed inquiry and has been supplied with volumes of facts and figures. As earlier stated herein, the committee believes that appreciable additional amounts later may be recovered of funds available to the armed services. The Army and Navy are still laboring with demobilization and attendant perplexing problems. However, their finances are under continual review by the Bureau of the Budget, which may be relied upon, the committee feels, to freeze for later rescission any amounts the retention of which is not wholly warranted.

TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS

The summation at the forepart hereof accounts in total for the activities embraced by this title. A restatement follows:

	H. Doc. 394	Bill	Increase
Cash.....	\$1, 503, 971, 475	\$1, 852, 780, 875	+\$348, 809, 400
Contractual authorizations.....	420, 079, 000	463, 673, 001	+43, 594, 001
Corporate funds ¹	346, 890	446, 890	+100, 000
Administrative expense limitations.....	6, 212, 000	7, 410, 000	+1, 198, 000

¹ Corporations created by the Coordinator of Inter-American Affairs.

While several agencies are involved in the foregoing amounts, all but a relatively negligible portion of the total is traceable to Defense Aid—Lend-Lease, and to the two related agencies—the United States Maritime Commission and the War Shipping Administration.

DEFENSE AID—LEND-LEASE

Unexpended balance, Nov. 30, 1945.....	\$4, 927, 033, 000
Deduct outstanding obligations Nov. 30, 1945.....	3, 449, 148, 000
	<hr/> 1, 477, 885, 000
Add estimated savings through cancellation of outstanding obligations.....	100, 000, 000
	<hr/> 1, 577, 885, 000
Deduct for liquidation of commitments and incidental and administrative expenses from Dec. 1, 1945, to June 30, 1946---	727, 885, 000
	<hr/> 850, 000, 000
Balance recommended in H. Doc. 394 for rescission.....	850, 000, 000

The committee proposes an additional amount of \$230,000,000, or a total rescission of \$1,080,000,000. This would have the effect of reducing by \$230,000,000, or to \$497,885,000, the amount above indicated as a reserve for liquidating commitments and incidental and administrative expenses from December 1, 1945, to June 30, 1946, of \$727,885,000, of which a segregation by categories appears on page 208 of the hearings.

This activity is being liquidated. No new commitments will be made. Unexpended funds are for discharging existing obligations, a goodly portion of which may yet be canceled. Settlements are being accelerated and the committee is advised that every effort is being made, in consequence of committee pressure, to liquidate all outstanding obligations as expeditiously as practicable.

A considerable portion of the \$727,885,000 reserved for liquidating commitments consists of funds due various Federal agencies for articles procured for lend-lease or articles procured for or services rendered lend-lease at an expense to other Federal agency funds. Something like \$180,000,000 is owing to the War and Navy Departments. There is an amount due the War Shipping Administration. Also, there is an amount in excess of \$62,000,000 reserved for possible overruns on contracts made by the Procurement Division of the Treasury Department. The committee's reduction of \$230,000,000 is directed against such obligations to other Federal agencies. If such agencies cannot absorb the amounts, it is felt that they should seek relief through estimates of appropriations, which would give the Congress an opportunity to pass upon the matter.

Lend-lease in terms of money has been costly. In the last report of its operations, transmitted by the President to the Congress on January 31, 1946, it is stated that "total lend-lease aid from the beginning of the program on March 11, 1941, to October 1, 1945, and reported as of the latter date, amounted to \$46,000,000,000." That expenditure, however, was as much a part of our war cost as were the direct expenditures on account of our armed services. That is borne out by the testimony of Foreign Liquidation Commissioner McCabe, who stated to the committee—

Looking back, Mr. Chairman, I feel that the lend-lease aid given to our allies was one of the most constructive things this country did during the war. As to the aid given Russia, I could not conceive of how Russia could have survived as long as she did without lend-lease aid.

On the western front the British, without the aid we gave them, not only on the western front but in the Mediterranean, could not have stood up.

The aid figure cited would have been more had it not been for reverse lend-lease, which lessened by well over \$6,000,000,000 our

war appropriations. The exact amount still awaits ascertainment. Then, too, of such aid figure, there has been considerable recovery, and there will be more, through cancellations of obligations and through purchase by lend-lease governments of articles on order or in transit or unused in their possession when lend-lease aid and procedures were terminated.

U. S. MARITIME COMMISSION AND WAR SHIPPING ADMINISTRATION

	H. Doc. 394	Bill	Increase
War Shipping Administration:			
Revolving fund.....	\$358,415,000	\$375,000,000	+\$16,585,000
Maritime training fund.....	351,000	2,000,000	+1,649,000
Marine and war risk insurance fund, revolving fund.....	25,000,000	60,000,000	+35,000,000
U. S. Maritime Commission:			
Cash: Construction fund, revolving fund.....	260,068,000	300,068,000	+40,000,000
Contractual authorization, construction fund, revolving fund.....	420,079,000	460,000,000	+39,921,000
Total cash.....	643,834,000	737,068,000	93,234,000

The revolving fund of the War Shipping Administration is employed to finance operational functions normally a responsibility of the United States Maritime Commission. The committee has increased by \$16,585,000, or to \$375,000,000, the recommended rescission contained in House Document 394. The additional rescission assumes such an amount of excess revenues over expenditures.

The committee has added \$1,649,000 to the rescission proposed in the Budget's submission of the Maritime training fund, because it doubts very much if the training levels projected for the remainder of the fiscal year can be maintained. Prevailing conditions inject a number of imponderables which make close estimating impracticable.

The additional rescission proposed by the committee of the marine and war risk insurance fund anticipates claims of numbers and dimensions below agency estimates. A large subsidence followed V-J-day and one estimate of future demands is about as good as another.

Of the contractual authority available to the United States Maritime Commission for the construction of ships and facilities, the committee considered a proposal for the repeal of \$420,079,000. It proposes to add to such amount \$39,921,000, which, the probabilities are, will not be needed for obligation before the close of the current fiscal year, if at all, depending upon future developments regarding the size and type of the merchant marine it will be in the public interest to maintain. Of the cash construction fund, which is for satisfying obligations incurred under the contractual authorization, approximately a corresponding amount, i. e., \$39,921,000 is recommended for rescission beyond the amount the Budget has proposed. Such cash fund exists for liquidating contracts under the contractual authorization. Therefore, the amount of obligational availability rescinded is the amount of contractual authorization rescinded.

FEDERAL WORKS AGENCY

War public works (community facilities): The rescission formally proposed under this head, as indicated in House Document 394, is \$3,100,000. The Budget Bureau later recommended in a communi-

cation to the committee an additional \$2,400,000. The committee has added \$250,000, making the total rescission \$5,750,000. Of such amount, \$4,250,000 applies to construction projects and \$1,500,000 to child-care centers under the service projects category.

The entire activity is in course of being liquidated and the committee is advised that it is quite likely that a further rescission later will be proposed, depending upon settlements yet to be effected.

In addition to the foregoing, the committee is proposing, of its own volition, the following rescissions:

Liquidation of Work Projects Administration.....	\$120, 000
Work relief in Puerto Rico and the Virgin Islands.....	1, 000, 000
Construction of public buildings outside the District of Columbia....	15, 662, 000
Construction of public buildings in and near the District of Columbia..	1, 500, 000
Construction of public buildings in the District of Columbia (contractual authority).....	3, 673, 001

The amounts applying to the first two of the foregoing items have been reported as surplus. The remaining amounts are in suspense awaiting new authorizing legislation.

TITLE II—MILITARY ESTABLISHMENT

Gross amount of funds available in 1946.....	\$64, 122, 200, 640
Previously rescinded.....	30, 263, 923, 993
Rescissions proposed in accompanying measure.....	1, 615, 926, 369
Available balance for new and old obligations.....	32, 242, 350, 278

The rescissions made and proposed fall a trifle short of 50 percent of the funds originally available for expenditure and obligation during the present fiscal year.

The new rescission appears relatively small. It exceeds by \$195,-349,897 the sum of the recommendations which the committee considered. The committee's examination does not warrant the recapture of a larger amount at this time. It should be borne in mind that the balance applies to the whole fiscal year, during the early part of which costs were at war levels. Considering that fact, the showing is quite a remarkable one. The committee, nevertheless, believes that further economies may be effected under strong administrative pressure and that additional recoveries may yet ensue from contract cancellations.

The details of the instant rescission are shown on pages 14 to 18 hereof. Of the total, approximately 62 percent applies to the Air Corps. The committee considered a proposal to rescind \$972,479,000 of funds remaining available to the Air Corps. It has increased the amount to an even billion dollars.

Anent the Army Air Forces, attention is invited to the comprehensive and illuminating statement of the deputy commander thereof, Lt. Gen. Ira C. Eaker, commencing on page 424 of the hearings. It contains much food for thought. The following excerpt is particularly impressive:

"The most persistent lesson learned by those who engage in warfare is that the weapons used for one war become obsolescent on the termination of hostilities. The recent conflict just concluded is no exception, and it may be said that the age of scientific warfare has begun. Once the capacities of an offensive weapon are known, no

nation would attempt aggressive action without first developing adequate defensive measures against it. This fact, in itself, renders practically every aircraft used in the recent conflict obsolete. Realizing this, the AAF has turned its thought toward new designs and new methods, including jet-propelled and rocket-assisted aircraft. Self-propelled rockets, bombs, and guided missiles are weapons of destruction and may not be readily accepted as a profitable enterprise for commercial development. We must, therefore, conclude that the burden for development of such equipment rests with the armed forces. With this thought in mind, the AAF has directed attention toward the development and control of this equipment. Through its exploitation, we hope to maintain and extend our stature as the most progressive air power in the world, using the most advanced equipment and training in the most modern concepts of employment. This policy can insure the peace and guarantee the safety of the United States as nothing else can."

Science has revolutionized the ways and means of offensive-defensive warfare. We stand at the crossroads of a new era. There must be reorientation. That which science has shelved as passé must be put aside beyond such as may be definitely essential as an interim requirement, and funds and talents and energies channeled into the development and production of the most modern procurable replacements. From a financial standpoint, it is vital that interim forces be adjusted to adequate levels without delay.

Travel on Army airplanes.—It has come to the attention of the committee that the War Department is looked to in many cases to provide air transportation gratis to civilian personnel of other executive agencies. In those cases where agencies, other than the White House, have appropriations for travel, it is the judgment of the committee that unless the travel is to be performed on a regularly scheduled flight, commercial facilities should be used, if available, and, if not, that a charge should be made at the commercial rate. A contrary procedure would have the effect of increasing limited appropriations for travel.

Overseas bases.—Funds proposed for retention under "Engineer service, Army," include \$100,000,000 for facilities in the Marianas, Okinawa, and the Philippines. Both the Army and the Navy are proceeding with permanent installations in the far Pacific area. The committee believes that before any further commitments are made there should be a determination by proper authority—not by each service itself—as to what should be built, where it should be built, which of the armed services will be the occupant, and the size of the future permanent garrison. Dual installations should not be countenanced except for most cogent reasons.

TITLE III—NAVAL ESTABLISHMENT

Gross amount of funds available in 1946, including prior-year and no-year funds	\$39, 007, 966, 995
Previously rescinded	14, 370, 159, 964
Rescissions proposed in accompanying measure	3, 166, 992, 924
Available balance for new and old obligations	21, 470, 814, 107

The committee has increased the amount of the rescissions recommended by \$340,112,388. Details as to items affected appear on pages 19 to 21 hereof.

The committee's examination leads to the conclusion that Navy funds offer the largest amount of future potential rescissions. Obligations made and projected should be carefully reexamined by the Bureau of the Budget looking to further cancellations and the abandonment of projects not started which are not thoroughly justified. As regards both of the armed services, close attention should be given to contracts for fabricated articles having no commercial value, without regard to the degree of completion, if such articles have been outmoded or will be obsolescent upon delivery. This would apply particularly to airplanes and accessories and to Signal Corps type of equipment and material for uses common to both services.

The principal Navy rescissions follow:

Ordnance and ordnance stores, 1946.....	\$100,000,000
Pay and subsistence of naval personnel, 1946.....	400,000,000
Transportation of things, Navy, 1946.....	150,000,000
Naval stock fund.....	275,000,000
Public works.....	190,000,000
Aviation, Navy, 1946.....	215,887,000
Increase and replacement of naval vessels.....	961,726,000
Prior year appropriations.....	782,332,924

The rescission of \$400,000,000 of the appropriation for pay and subsistence of naval personnel is altogether a committee recommendation. There has been a previous rescission of \$1,317,369,200. Actual appropriation needs will not be known until the fiscal year has lapsed. There are very many elements involved which preclude close estimating. The committee believes that in the end the reduction it is proposing will not be far, if any, amiss, unless there should be legislation creating charges which would absorb the savings the reduction anticipates.

The naval stock fund reduction is associated with another item in the bill reducing the naval stock account from \$2,250,000,000 to \$1,750,000,000, made possible by the contraction of the Navy and the consequent lessening of inventory requirements. The reduced size of the account permits of the reduction proposed in the cash working balance of the naval stock fund.

Regarding the rescissions applicable to public works and increase and replacement of naval vessels, it should be made clear that they are not permanent savings. They are amounts available in excess of disbursing needs during the current fiscal year for settling existing firm obligations. They will need to be replaced at a later time. As to public works, however, the committee has made a reduction of \$5,000,000 of the uncommitted balance of contractual authorization, directed against two land acquisition projects, additional facilities at Quantico, and school facilities at Key West.

The rescission applying to naval aviation is an increase of \$50,000,000 over the proposal in House Document 394, and has been made in the subappropriation "Maintenance, operation, and repair." The committee feels that the additional amount is wholly warranted by the contraction that has occurred and still is in process.

GENERAL PROVISION

During the war materials were exchanged between the Army and Navy with the understanding that reimbursement would be made therefor. The preparation of vouchers required for such reimbursement involves considerable clerical detail and, in addition, it is probable that a large portion of the exchanges were made in the combat zones and that such exchanges were never fully documented. Following the recommendation of the War and Navy Departments, the bill includes a provision (p. 17) that unliquidated charges for materials exchanged prior to September 1, 1945, be canceled.

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945

**TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS
(NONWAR)**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS						
Executive Office of the President:						
Office for Emergency Management:						
National Wage Stabilization Board, salaries and expenses	\$13, 320, 000	\$1, 566, 500	\$1, 600, 000	\$650, 000	\$9, 503, 500	\$6, 710, 179
Office of Scientific Research and Development, salaries and expenses-----	70, 000, 000	56, 101, 792	515, 000	40, 000	13, 343, 208	4, 411, 599
War Shipping Administration:						
Revolving fund-----	3, 279, 044, 628	195, 452, 000	358, 415, 000	16, 585, 000	2, 708, 592, 628	1, 982, 215, 937
Maritime training fund----	69, 749, 581	25, 000, 000	351, 000	1, 649, 000	42, 749, 581	23, 053, 698
Marine and war-risk insurance fund, revolving fund-----	194, 839, 695	91, 000, 000	25, 000, 000	35, 000, 000	43, 839, 695	101, 934, 778
Office of Censorship, salaries and expenses-----	13, 000, 000	8, 200, 000	212, 600	202, 800	4, 384, 600	514, 394

Petroleum Administration for War, salaries and expenses	3,968,200	1,800,000	100,000	100,000	1,968,200	633,739
Total, Office for Emergency Management	3,643,922,104	379,120,292	386,193,600	54,226,800	2,824,381,412	2,119,474,324
Emergency funds appropriated to the President: Defense aid—lend-lease	9,122,828,000	1,739,561,000	850,000,000	230,000,000	6,303,267,000	1,477,885,000
Total, Executive Office of the President	12,766,750,104	2,118,681,292	1,236,193,600	284,226,800	9,127,648,412	3,597,359,324
Independent offices:						
Employees Compensation Commission: Employees compensation fund	15,447,644	1,761,644	300,000	1,000,000	12,386,000	9,634,741
U. S. Maritime Commission: Construction fund, act June 29, 1936, revolving fund	847,387,830	496,500,000	260,068,000	40,000,000	50,819,830	323,766,546
Federal Security Agency: Public Health Service: Health and sanitation activities, war and defense areas (national defense)	2,837,824	392,568	50,000	75,000	2,320,256	1,391,400
Federal Works Agency:						
Office of the Administrator:						
War public works (community facilities)	52,338,786	13,700,000	3,100,000	2,650,000	32,888,786	25,670,999
Liquidation of Work Projects Administration, 1944				120,000		
Work relief in Puerto Rico and the Virgin Islands, 1944				1,000,000		

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945—Continued

**TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS
(NONWAR)—Continued**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS—continued						
Independent offices—Continued						
Federal Works Agency—Continued						
Public Buildings Administration: Emergency safeguarding of public buildings and property-----	\$7, 588, 980	\$7, 150, 000	\$75, 000	-----	\$363, 980	\$170, 250
Construction of public buildings outside the District of Columbia-----	-----	-----	-----	\$15, 662, 600	-----	-----
Construction of public buildings in and near the District of Columbia-----	-----	-----	-----	1, 500, 000	-----	-----
Public Roads Administration: Flight strips (national defense)-----	374, 740	318, 008	56, 732	-----	-----	56, 732
Total, independent offices-----	925, 975, 804	519, 822, 220	263, 649, 732	62, 007, 600	98, 778, 852	360, 690, 668

Executive departments.

Department of Agriculture: Emergency supplies for Territories and possessions-----

Department of the Interior:

Office of Fishery Coordination:
Salaries and expenses-----

Emergency funds appropriated to the President: Emergency fund for the President, national defense (allotment to Interior, Territories and island possessions)-----

Department of Justice: Legal activities and general administration, salaries and expenses, Lands Division-----

Total, executive departments-----

Grand total, title I-----

Reductions in contractual authorizations, title I:

Independent offices:

U. S. Maritime Commission:
Construction fund, act June 29, 1936, revolving fund-----

Federal Works Agency, Public Buildings Administration:
Construction of buildings in the District of Columbia-----

63, 397, 099	25, 000, 000	2, 500, 000	2, 500, 000	33, 397, 099	6, 151, 494
212, 500	57, 000	12, 000	-----	143, 500	83, 000
1, 662, 806	-----	1, 391, 143	-----	271, 663	1, 516, 143
3, 400, 000	-----	225, 000	75, 000	3, 100, 000	2, 376, 277
68, 672, 405	25, 057, 000	4, 128, 143	2, 575, 000	36, 912, 262	10, 126, 914
13, 761, 398, 313	2, 663, 560, 512	1, 503, 971, 475	348, 809, 400	9, 263, 339, 526	3, 968, 176, 906
822, 184, 067	325, 900, 000	420, 079, 000	39, 921, 000	36, 284, 067	496, 284, 067
-----	-----	-----	3, 673, 001	-----	-----

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945—Continued

TITLE II—MILITARY ESTABLISHMENT

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS						
Office of the Secretary of War: Expediting production of equipment and supplies for national defense, 1940-46----	\$728, 218, 284	\$282, 892, 000	\$20, 545, 000	-----	\$424, 781, 284	—\$32, 975, 971
General Staff Corps:						
Special field exercises, Army, 1942-46-----	55, 942, 878	51, 246, 874	50, 000	\$2, 363, 868	2, 282, 136	— ¹ 4, 254, 577
Adjutant General's Department: Command and General Staff School, Fort Leavenworth, Kans., 1942-46-----	239, 094	-----	20, 000	-----	219, 094	153, 277
Finance Department:						
Pay of the Army-----	² 11,245,197,312	-----	-----	61, 435, 757	² 11,183,761,555 ² 4, 981, 388, 665	
Expenses of courts martial-----	653, 157	36, 000	4, 700	-----	612, 457	394, 683
Apprehension of deserters-----	834, 569	171, 000	200, 000	250, 000	213, 569	312, 472
Finance service-----	53, 452, 353	-----	4, 000, 000	-----	49, 452, 353	33, 193, 707
Claims for damages due to loss or destruction of property, or personal injury or death-----	1, 764, 331	-----	250, 000	-----	1, 514, 331	595, 246

Quartermaster Corps: Quartermaster Service, Army, 1942-46: Welfare of enlisted men-----	73, 825, 412	5, 000, 000	1, 850, 000	3, 550, 000	63, 425, 412	26, 442, 088
Transportation Corps: Transportation Service, Army, 1945-46-----	2, 295, 916, 319	704, 268, 000	43, 775, 000	36, 225, 000	1, 511, 648, 319	618, 460, 883
Signal Corps: Signal Service of the Army, 1942-46-----	3, 070, 236, 293	1, 675, 684, 000	69, 902, 000	15, 098, 000	1, 309, 552, 293	— ¹ 162, 589, 240
Air Corps; Army, 1942-46-----	18, 938, 878, 917	11, 799, 313, 000	972, 479, 000	27, 521, 000	6, 139, 565, 917	— ¹ 500, 637, 803
Medical Department: Medical and Hospital Department, Army, 1942-46-----	542, 710, 369	267, 539, 000	27, 615, 000	-----	247, 556, 369	108, 858, 023
Corps of Engineers:						
Engineer service, Army, 1942-46: Engineer service-----	4, 087, 733, 452	2, 011, 648, 000	7, 056, 000	42, 944, 000	2, 026, 085, 452	582, 466, 768
Repair of arsenals, Army, 1942-46--	1, 238, 691	-----	661, 905	-----	576, 786	661, 905
Emergency construction (no year)-----	480	-----	480	-----	-----	480
Acquisition of land:						
Panama, Army (no year)-----	395, 593	-----	395, 593	-----	-----	395, 593
Buchanan, P. R. (no year)-----	8, 284	-----	8, 284	-----	-----	8, 284
Act June 26, 1940 (no year)-----	87, 841	-----	13, 254	-----	74, 587	13, 254
Military purpose, national defense (no year)-----	764, 058	-----	360, 941	-----	403, 117	360, 941
San Bernardino, Kern, Los Angeles County, Calif. (no year)-----	1, 520	-----	1, 470	-----	50	1, 470
Ogden Ordnance Depot, Utah (no year)-----	60, 420	-----	60, 420	-----	-----	60, 420

¹ To be met by savings through cancellations.² Excludes funds transferred from other appropriations; mostly Air Corps.

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945--Continued

TITLE II—MILITARY ESTABLISHMENT—Continued

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS—continued						
Corps of Engineers—Continued						
Sites for military purposes (no year) -	\$10, 507	-----	\$10, 065	-----	\$442	\$10, 065
Construction of buildings, utilities, and appurtenances at military posts (no year)-----	31, 176, 025	-----	12, 533, 633	-----	18, 642, 392	12, 533, 633
Office buildings and appurtenances, War Department, Arlington, County, Va. (no year)-----	166	-----	157	-----	9	-----
Buildings for United States representatives, Philippine Islands (no year)-----	304	-----	304	-----	-----	304
Ordnance department: Ordnance service and supplies, Army, 1942-46-----	11, 205, 360, 716	\$8, 100, 000, 000	201, 035, 000	-----	2, 904, 325, 716	1 -- 648, 632, 444
Chemical Warfare Service, Army, 1942-46-----	1, 333, 298, 947	997, 870, 000	19, 860, 000	\$1, 740, 000	313, 828, 947	10, 432, 583

Special service schools:						
Infantry School-----	667, 560	81, 000	181, 200	-----	405, 360	410, 567
Cavalry activities-----	144, 163	22, 700	30, 300	-----	91, 163	74, 683
Field artillery activities-----	690, 757	74, 300	130, 500	-----	485, 957	383, 459
Coast artillery activities-----	160, 717	-----	40, 500	-----	120, 217	108, 865
Armored force: Instruction in armored force activities, 1942-46-----	899, 335	-----	83, 000	-----	816, 335	716, 418
Seacoast defense: General, 1942-46-----	22, 237, 641	1, 664, 000	12, 183, 000	2, 500, 000	5, 890, 641	8, 633, 530
General, no year-----	10, 371, 696	-----	9, 698, 373	-----	673, 323	9, 035, 595
No year-----	1, 010, 705	-----	708, 225	-----	302, 480	708, 225
Insular Department, no year-----	50, 468	-----	50, 456	-----	12	50, 456
Panama Canal, no year-----	1, 301, 821	-----	622, 470	-----	679, 351	622, 470
U. S. Military Academy: Pay of Mili- tary Academy, 1942-46-----	1, 988, 067	21, 000	104, 000	22, 272	1, 840, 795	1, 256, 530
Citizens Military Training: Military supplies and equipment for schools and colleges, 1942-46-----	6, 083	-----	6, 083	-----	-----	6, 083
National Board for promotion of rifle practice, Army: Promotion of rifle practice, 1942-46-----	111, 875	-----	17, 500	-----	94, 375	88, 112

¹ To be met by savings through cancellations.

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945—Continued

TITLE II—MILITARY ESTABLISHMENT—Continued

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS—continued						
Inter-American Relations, War Department:						
Inter-American Relations, War Department, 1943-46-----	\$602, 470	\$75, 000	\$30, 000	-----	\$497, 470	\$339, 862
National defense activities, War Department, 1942-46-----	2, 659	-----	2, 659	-----	-----	2, 659
Office of the Secretary:						
Contingent expenses, War Department, 1942-46-----	8, 377, 449	1, 200, 000	1, 000, 000	\$200, 000	5, 977, 449	3, 704, 162
Printing and binding, War Department, 1942-46-----	68, 611, 473	18, 000, 000	3, 000, 000	1, 500, 000	46, 111, 473	12, 990, 550
Emergency funds appropriated to the President: Emergency fund for the President, national defense (allotment to war), 1942-46-----	10, 000, 000	-----	10, 000, 000	-----	-----	10, 000, 000
Total, title II-----	53, 795, 241, 231	25, 916, 805, 874	1, 420, 576, 472	195, 349, 897	26, 262, 508, 988	5, 076, 786, 935

TITLE III—NAVAL ESTABLISHMENT

CASH APPROPRIATIONS, 1946							
Office of the Secretary: Naval Research Laboratory-----	\$4, 390, 000	\$90, 000	\$57, 000	\$18, 000	\$4, 225, 000	\$2, 628, 640	
Bureau of Naval personnel:							
Naval training station, Port Deposit, Md., 1946-----	4, 038, 000	500, 000	200, 000	-----	3, 338, 000	2, 295, 275	
Welfare and recreation, Navy, 1946-----	15, 124, 000	4, 124, 000	2, 000, 000	-----	9, 000, 000	6, 329, 508	
Naval Reserve Officers' Training Corps, 1946-----	658, 000	-----	50, 000	200, 000	408, 000	319, 782	
Bureau of Ships: Maintenance, Bureau of Ships, 1946-----	2, 789, 933, 639	1, 468, 000, 000	-----	30, 000, 000	1, 291, 933, 639	275, 368, 472	
Bureau of Ordnance: Ordnance and ordnance stores, Navy, 1946-----	2, 998, 909, 000	2, 575, 225, 500	97, 775, 000	2, 225, 000	323, 683, 500	200, 520, 664	
Bureau of Supplies and Accounts:							
Pay and subsistence of naval personnel, 1946-----	6, 732, 852, 000	1, 317, 369, 200	-----	400, 000, 000	5, 015, 482, 800	3, 131, 352, 876	
Maintenance, 1946-----	501, 092, 800	81, 314, 000	13, 657, 000	1, 343, 000	404, 778, 800	243, 960, 387	
Transportation of things, Navy, 1946-----	550, 000, 000	140, 036, 282	100, 000, 000	50, 000, 000	259, 963, 718	229, 077, 025	
Naval stock fund, revolving fund-----	-----	-----	275, 000, 000	-----	-----	-----	
Bureau of Medicine and Surgery: Medical Department, Navy-----	122, 655, 685	30, 000, 000	17, 000, 000	-----	75, 655, 685	70, 351, 182	

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945—Continued

TITLE III—NAVAL ESTABLISHMENT—Continued

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS, 1946—continued						
Bureau of Yards and Docks:						
Maintenance, 1946-----	\$149, 673, 000	\$5, 000, 000	\$100, 000	-----	\$144, 573, 000	\$87, 824, 350
Public works-----	1, 583, 993, 591	400, 000, 000	190, 000, 000	-----	993, 993, 591	147, 172, 373
Bureau of Aeronautics: Aviation, Navy, 1946-----	2, 441, 298, 360	1, 359, 367, 650	165, 887, 000	\$50, 000, 000	866, 043, 710	685, 408, 757
Increase and Replacement of Naval Vessels:						
Construction and machinery-----	3, 473, 393, 536	732, 104, 151	602, 491, 000	-----	2, 138, 798, 385	1—869, 871, 711
Armor, armament, and ammunition.	1, 342, 696, 342	276, 876, 967	338, 848, 000	-----	726, 971, 375	47, 752, 628
Emergency construction-----	383, 501, 917	38, 385, 489	20, 387, 000	-----	324, 729, 428	89, 891, 041
Repair facilities, Navy-----	176, 749, 420	38, 266, 050	18, 281, 000	-----	120, 202, 370	1, 650, 337

Coast Guard:						
Pay and allowanees, 1946-----	394, 562, 087	80, 000, 000	1, 276, 000	5, 724, 000	307, 562, 087	192, 901, 344
General expenses, 1946-----	62, 375, 500	20, 000, 000	1, 002, 000	498, 000	40, 875, 500	24, 318, 321
Retired pay, former Lighthouse Service, 1946-----	980, 000	-----	36, 612	4, 388	939, 000	668, 764
Navy Department: Contingent and miscellaneous expenses, Hydrographic Office, 1946-----	3, 840, 000	413, 000	500, 000	100, 000	2, 827, 000	2, 117, 527
Total, 1946 appropriations-----	23, 732, 716, 877	8, 567, 072, 289	1, 844, 547, 612	540, 112, 388	13, 055, 984, 588	4, 572, 037, 542
CASH APPROPRIATIONS, 1945 AND PRIOR FISCAL YEARS						
Sundry items-----	8, 296, 701, 869	4, 332, 122, 388	982, 332, 924	— ³ 200,000,000	3, 182, 246, 557	1—335, 187, 628
Grand total, title III, cash appropriations-----	32, 029, 418, 746	12, 899, 194, 677	2, 826, 880, 536	340, 112, 388	16, 238, 231, 145	4, 236, 849, 914
Reduction in contractual authorization, title III:						
Bureau of Yards and Doeks: Public works-----	1, 834, 527, 427	1, 248, 510, 540	-----	5, 000, 000	581, 016, 887	272, 670, 246

¹ To be met by savings through cancellations.

³ Restoration, "Aviation, Navy, 1945."

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~~11-11-2018~~

Jump

NOTICE: This bill is given out subject to release when consideration of it has been completed by the Whole Committee. Please check on such action before release in order to be advised of any changes.

[FULL COMMITTEE PRINT]

Union Calendar No.

79TH CONGRESS
2D SESSION

H. R. 5604

[Report No. 16]71

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 1946

Mr. CANNON of Missouri introduced the following bill; which was referred to the Committee on Appropriations

A BILL

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the appropriations and contractual authorizations of the
4 departments and agencies available in the fiscal year 1946,
5 and prior year unreverted appropriations, are hereby reduced
6 in the sums hereinafter set forth, such sums to be carried to
7 the surplus fund and covered into the Treasury immediately
8 upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-
2 DENT, INDEPENDENT OFFICES, AND EXECU-
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 National War Labor Board:

7 Salaries and expenses, \$2,250,000.

8 Office of Scientific Research and Development:

9 Salaries and expenses, \$555,000.

10 War Shipping Administration:

11 Revolving fund, \$375,000,000.

12 Maritime training fund, \$2,000,000.

13 Marine and war risk insurance fund, revolving fund,
14 \$60,000,000.

15 Office of Censorship: Salaries and expenses, \$415,400.

16 Petroleum Administration for War:

17 Salaries and expenses, \$200,000.

18 In all, Office for Emergency Management, \$440,-
19 420,400.

20 EMERGENCY FUNDS APPROPRIATED TO THE
21 PRESIDENT

22 Defense aid—lend-lease, \$1,080,000,000, to be deducted
23 from such of the categories specified in the various appro-
24 priation acts as may be determined by the Secretary of State
25 or such official as he shall designate.

INDEPENDENT OFFICES

Employees' Compensation Commission: Employees' compensation fund, \$1,300,000.

United States Maritime Commission: Construction fund, Act of June 29, 1936, revolving fund, \$300,068,000.

FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$125,000.

FEDERAL WORKS AGENCY

Office of the Administrator:

War public works (community facilities), \$5,750,000.

Liquidation of Work Projects Administration, 1944, \$120,000.

Work relief in Puerto Rico and the Virgin Islands, 1944, \$1,000,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$75,000.

Construction of public buildings outside the District of Columbia, \$15,662,600.

Construction of public buildings in and near the District of Columbia, \$1,500,000.

Public Roads Administration: Flight strips (national de-

1 fense), \$56,732, and such additional amount as may remain
2 unobligated.

3 In all, independent offices, \$325,657,332.

4 EXECUTIVE DEPARTMENTS

5 [Non-War]

6 DEPARTMENT OF AGRICULTURE

7 Emergency supplies for Territories and possessions,
8 \$5,000,000.

9 DEPARTMENT OF THE INTERIOR

10 Office of Fishery Coordination: Salaries and expenses,
11 \$12,000.

12 Emergency funds appropriated to the President:

13 Emergency fund for the President, national defense
14 (allotment to Interior, Territories and island posses-
15 sions), \$1,391,143.

16 DEPARTMENT OF JUSTICE

17 Legal activities and general administration: Salaries and
18 expenses, Lands Division, \$300,000.

19 In all, executive departments, \$6,703,143.

20 In all, title I, \$1,852,780,875.

21 Miscellaneous Provisions, Title I

22 REDUCTIONS IN CONTRACTUAL AUTHORIZATIONS

23 Contractual authorizations of the departments and agen-

1 cies available in the fiscal year 1946 are hereby reduced in
2 the sums hereinafter set forth:

3 INDEPENDENT OFFICES

4 United States Maritime Commission: Construction fund,
5 Act June 29, 1936, revolving fund, \$460,000,000.

6 Federal Works Agency, Public Buildings Administra-
7 tion: Construction of buildings in the District of Columbia,
8 \$3,673,001.

9 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE

10 EXPENSES

11 Limitations on amounts from funds of corporations and
12 other agencies for administrative expenses are hereby re-
13 duced in the following sums:

14 EXECUTIVE OFFICE OF THE PRESIDENT

15 Office for Emergency Management, Foreign Economic
16 Administration:

17 Rubber Development Corporation, \$160,000.

18 U. S. Commercial Company, \$250,000.

19 INDEPENDENT OFFICES

20 Federal Loan Agency, Reconstruction Finance Corpo-
21 ration:

22 Administrative expenses, Reconstruction Finance
23 Corporation and its affiliated organizations, \$7,000,000,

1 CORPORATE FUNDS TO BE TRANSFERRED TO THE
2 TREASURY

3 EXECUTIVE OFFICE OF THE PRESIDENT

4 Office for Emergency Management:

5 Office of Inter-American Affairs: The Director of
6 the Office of Inter-American Affairs is hereby directed
7 to deposit in the Treasury of the United States as mis-
8 cellaneous receipts the following sums representing ex-
9 cess funds of corporations created by the Coordinator of
10 Inter-American Affairs under authority of law:

11 Institute of Inter-American Transportation,
12 \$171,890.

13 Inter-American Navigation Corporation, \$175,000.

14 Prencinradio, Incorporated, \$100,000.

15 TITLE II—MILITARY ESTABLISHMENT

16 Office of Secretary of War:

17 Expediting Production of Equipment and Supplies
18 for National Defense, 1940–1946, \$20,545,000.

19 General Staff Corps:

20 Special Field Exercises, Army, 1942–1946,
21 \$2,413,868.

22 Adjutant General's Department:

23 Command and General Staff School, Fort Leaven-
24 worth, Kansas, 1942–1946, \$20,000.

Finance Department:

Finance Service, Army, 1942-1946, \$66,140,457, and subappropriations under this head are hereby decreased as follows: (1) Pay of the Army, \$61,435,757; (2) expenses of courts martial, \$4,700; (3) apprehension of deserters, \$450,000; (4) Finance Service, \$4,000,000, and (5) claims for damages due to loss or destruction of property, or personal injury, or death, \$250,000.

Quartermaster Corps:

Quartermaster Service, Army, 1942-1946, subappropriation "Welfare of enlisted men", \$5,400,000.

Transportation Corps:

Transportation Service, Army, 1945-1946, \$80,000,000.

Signal Corps:

Signal Service of the Army, 1942-1946, \$85,000,000.

Air Corps:

Air Corps, Army 1942-1946, \$1,000,000,000.

Medical Department:

Medical and Hospital Department, Army, 1942-1946, \$27,615,000.

1 Corps of Engineers:

2 Engineer Service, Army, 1942-1946, subappropri-
3 ation "Engineer Service", \$50,000,000, and no part of
4 such subappropriation shall be available after February
5 25, 1946, for acquiring land or building permanent struc-
6 tures within the continental limits of the United States,
7 except structures not costing more than \$20,000.

8 Repair of arsenals, Army, 1942-1946, \$661,905.

9 Repair of arsenals, emergency construction, no year,
10 \$480.

11 Acquisition of land, Panama, Army, no year,
12 \$395,593.

13 Acquisition of land, Buchanan, Puerto Rico, no year,
14 \$8,284.

15 Acquisition of land, Act June 26, 1940, no year,
16 \$13,254.

17 Acquisition of land for military purposes, national
18 defense, no year, \$360,941.

19 Acquisition of land, San Bernardino, Kern, Los
20 Angeles Counties, California, no year, \$1,470.

21 Acquisition of land, Ogden Ordnance Depot, Utah,
22 no year, \$60,420.

23 Sites for military purposes, no year, \$10,065.

24 Construction of buildings, utilities, and appurtenances
25 at military posts, no year, \$12,533,633,

Office buildings and appurtenances, War Department, Arlington County, Virginia, no year, \$157.

Buildings for United States representatives, Philippine Islands, no year, \$304.

Ordnance Department:

Ordnance Service and Supplies, Army, 1942-1946, \$201,035,000.

Chemical Warfare Service:

Chemical Warfare Service, Army, 1942-1946, \$21,600,000.

Special Service Schools:

Special Service Schools, Army, 1942-1946, \$382,500, and subappropriations under this head are hereby decreased as follows: (1) Infantry School, \$181,200; (2) Cavalry activities, \$30,300; (3) Field Artillery activities, \$130,500; and (4) Coast Artillery activities, \$40,500.

Armored force:

Instruction in armored force activities, 1942-1946, \$83,000.

Seacoast defenses:

Seacoast defenses, general, 1942-1946, \$14,683,000, and no part of such appropriation shall be available after February 25, 1946, for the acquisition of land.

1 Seacoast defenses, general, no year, \$9,698,373.

2 Seacoast defenses, no year, \$708,225.

3 Seacoast defenses, Insular Departments, no year,
4 \$50,456.

5 Seacoast defenses, Panama Canal, no year, \$622,470.

6 United States Military Academy: Pay of Military
7 Academy, 1942-1946, \$126,272.

8 Citizens' Military Training:

9 Military supplies and equipment for schools and
10 colleges, 1942-1946, \$6,083.

11 National Board for Promotion of Rifle Practice, Army:

12 Promotion of rifle practice, 1942-1946, \$17,500.

13 Inter-American Relations, War Department:

14 Inter-American Relations, War Department, 1943-
15 1946, \$30,000.

16 National defense activities, War Department, 1942-
17 1946, \$2,659.

18 Office of the Secretary:

19 Contingent expenses, War Department, 1942-1946,
20 \$1,200,000.

21 Printing and binding, War Department, 1942-1946;
22 \$4,500,000.

Emergency funds appropriated to the President:

Emergency fund for the President, national defense
(allotment to War), 1942-1946, \$10,000,000.

In all, title II, \$1,615,926,369.

TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:

Naval Research Laboratory, \$75,000.

Ocean and lake surveys, Navy:

Fiscal year 1944, \$48,925.

Fiscal year 1945, \$7,953.

Bureau of Naval Personnel:

Naval Training Station, Lake Pend Oreille, Idaho, 1944,
\$11,486.

Naval Training Station, Port Deposit, Maryland, 1946,
\$200,000.

Libraries, Navy, 1945, \$171,373.

Welfare and Recreation, Navy:

Fiscal year 1945, \$1,968,936.

Fiscal year 1946, \$2,000,000.

Naval Reserve Officers' Training Corps:

Fiscal year 1944, \$8,608.

Fiscal year 1945, \$62,595.

Fiscal year 1946, \$250,000.

1 Naval prison farms and prison personnel (receipt limi-
2 tation), 1944, \$38.

3 Bureau of Ships:

4 Maintenance, Bureau of Ships:

5 Fiscal year 1942, \$3,090,591.

6 Fiscal year 1943, \$53,724,957.

7 Fiscal year 1946, \$30,000,000: *Provided*, That this
8 appropriation shall be available for continuing the pur-
9 poses of the appropriation "Defense installations on mer-
10 chant vessels, Navy", when such latter appropriation is
11 exhausted.

12 Bureau of Ordnance:

13 Ordnance and ordnance stores, Navy:

14 Fiscal year 1945, \$205,247,233.

15 Fiscal year 1946, \$100,000,000.

16 Bureau of Supplies and Accounts:

17 Pay, subsistence, and transportation, Navy, 1944,
18 \$2,763,960.

19 Pay and subsistence of naval personnel, 1946, \$400,-
20 000,000.

21 Maintenance, Bureau of Supplies and Accounts:

22 Fiscal year 1944, \$5,000,000.

23 Fiscal year 1946, \$15,000,000.

24 Transportation of things, Navy, 1946, \$150,000,000.

1 Fuel and transportation, Navy, 1945, \$20,000,000.

2 Naval Stock Fund, \$275,000,000.

3 Bureau of Medicine and Surgery:

4 Medical Department, Navy:

5 Fiscal year 1944, \$2,372,599.

6 Fiscal year 1945, \$7,000,000.

7 Fiscal year 1946, \$17,000,000.

8 Bureau of Yards and Docks:

9 Maintenance, Bureau of Yards and Docks:

10 Fiscal year 1944, \$1,500,000.

11 Fiscal year 1945, \$4,000,000.

12 Fiscal year 1946, \$100,000.

13 Public Works, Bureau of Yards and Docks, \$190,-

14 000,000, and the contractual authorization for "Public Works,

15 Bureau of Yards and Docks", available in the fiscal year

16 1946, is hereby further reduced in the sum of \$5,000,000,

17 applicable to projects within the continental limits of the

18 United States, and neither the appropriation nor contractual

19 authorization under this head shall be available after Feb-

20 ruary 25, 1946, for the acquisition of land.

21 Bureau of Aeronautics:

22 Aviation, Navy:

23 Fiscal year 1943, \$225,000,000.

24 Fiscal year 1943-1944, \$10,000,000,

1 Fiscal year 1944, \$200,000,000.

2 Fiscal year 1946, \$215,887,000, and subappro-
3 priations under this head are hereby decreased as fol-
4 lows: (1) New construction and procurement of aircraft
5 and equipment, spare parts, and so forth, from
6 “\$128,116,900” to “\$94,737,200”; (2) replacement of
7 navigational and radio equipment for aircraft in service,
8 and so forth, from “\$44,934,000” to “\$34,917,200”;
9 and (3) maintenance, repair, and operation of aircraft
10 factory, air stations, and so forth, from “\$800,374,950”
11 to “\$627,884,450”.

12 Marine Corps:

13 General expenses, Marine Corps:

14 Fiscal year 1944, \$10,000,000.

15 Fiscal year 1945, \$10,000,000.

16 Increase and replacement of naval vessels:

17 Increase and replacement of naval vessels, construc-
18 tion and machinery, \$602,491,000.

19 Increase and replacement of naval vessels, armor,
20 armament and ammunition, \$338,848,000.

21 Increase and replacement of naval vessels, emer-
22 gency construction, \$20,387,000.

23 Repair facilities, Navy:

24 Repair facilities, Navy, \$18,281,000.

1 Coast Guard:

2 Pay and allowances, Coast Guard:

3 Fiscal year 1944, \$11,816,086.

4 Fiscal year 1945, \$5,940,838.

5 Fiscal year 1946, \$7,000,000.

6 General expenses, Coast Guard:

7 Fiscal year 1944, \$136,250.

8 Fiscal year 1945, \$48,286.

9 Fiscal year 1946, \$1,500,000.

10 Retired pay, former Lighthouse Service, Coast Guard,
11 1946, \$41,000.

12 Salaries, Merchant Marine Inspection, Coast Guard,
13 1945, \$5,985.

14 NAVY DEPARTMENT

15 Salaries:

16 Salaries, Compensation Board, 1944, \$109.

17 Salaries, Bureau of Naval Personnel, 1945, \$577.

18 Salaries, Hydrographic Office:

19 Fiscal year 1944, \$65,119.

20 Fiscal year 1945, \$30,461.

21 Salaries, Bureau of Ships, 1945, \$7.

22 Salaries, Bureau of Supplies and Accounts, 1945,
23 \$33,299.

24 Salaries, Bureau of Yards and Docks, 1945, \$153,

1 Contingent expenses:

2 Contingent expenses, Navy Department, 1945,
3 \$106,000.

4 The amount which may be transferred to this appro-
5 priation from other appropriations contained in the Naval
6 Appropriation Act, 1946, is hereby decreased from "\$5,500,-
7 000" to "\$4,000,000".

8 Printing and binding, Navy Department, 1945,
9 \$2,118,500.

10 The amount which may be transferred to this appro-
11 priation from other appropriations contained in the Naval
12 Appropriation Act, 1946, is hereby decreased from "\$18,-
13 500,000" to "\$8,500,000".

14 Contingent and miscellaneous expenses, Hydrographic
15 Office:

16 Fiscal year 1945, \$52,000.

17 Fiscal year 1946, \$600,000.

18 TRANSFER OF APPROPRIATIONS

19 Transfers of the amounts hereinafter set forth shall be
20 made from the appropriation "Aviation, Navy, 1946," to
21 the following appropriations:

22 Navy War College, 1946, \$37,000;

23 Naval Training Station, Newport, 1946, \$907,
24 000;

25 Pay, Naval Academy, 1946, \$159,000;

1 Naval Home, 1946, \$12,640;

2 Pay, subsistence and transportation, 1943, \$4,500,-
3 000;

4 Maintenance, Bureau of Supplies and Accounts,
5 1943, \$350,000;

6 Maintenance, Bureau of Supplies and Accounts,
7 1945, \$29,364,000;

8 Fuel and transportation, Navy, 1944, \$1,415,000;

9 Civilian employees, Coast Guard, 1946, \$395,000;

10 Salaries, Merchant Marine Inspection, 1946,
11 \$72,000;

12 In all, \$37,211,640.

13 NAVAL STOCK ACCOUNT AND FUND

14 Effective April 1, 1946, the limitation, specified in the
15 First Supplemental National Defense Appropriation Act of
16 1944, on the value of stock in the "Naval Stock Account"
17 plus outstanding obligations under the "Naval Stock Fund"
18 shall be reduced from \$2,250,000,000 to \$1,650,000,000
19 and thereafter said stock and obligations shall not exceed at
20 any time said latter amount.

21 In all, title III, \$3,166,992,924.

22 GENERAL PROVISION

23 The War and Navy Departments are hereby relieved
24 from reimbursing each other from the appropriations of the
25 "Military Establishment" and the appropriations of the

1 "Navy Department and the Naval Service" for the amounts
2 which on the date of this act may be owing by either
3 Department to the other (exclusive of working fund ac-
4 counts) for materials, supplies, equipment, or services fur-
5 nished to either of said departments by the other, prior to
6 September 1, 1945. The department furnishing such mate-
7 rials, supplies, equipment, and services shall be responsible
8 for the expenses arising in connection with the termination
9 of contracts or settlement of the accounts in connection
10 therewith.

11 SEC. 301. This Act may be cited as the "Second Sup-
12 plemental Surplus Appropriation Rescission Act, 1946".

I N D E X

Title I:	Page
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[FULL COMMITTEE PRINT]

Union Calendar No.

79TH CONGRESS
2^D SESSION

H. R.

[Report No.]

A BILL

Reducing or further reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

By Mr. CANNON of Missouri

FEBRUARY 27, 1946

Referred to the Committee on Appropriations

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

FEBRUARY 27, 1946.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. CANNON of Missouri, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H. R. 5604]

The Committee on Appropriations, to whom was referred the bill (H. R. 5604) entitled "A bill reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes," report the measure with a favorable recommendation for its early consideration and passage by the House.

The bases for the rescissions proposed in the accompanying measure are contained in House Document No. 394 of the present Congress. A summation of them follows as well as of the recommendations of the committee thereon:

	H. Doc. 394	Bill	Increase
Cash:			
Executive agencies.....	\$1,503,971,475	\$1,852,780,875	+\$348,809,400
Military Establishment.....	1,420,576,472	1,615,926,369	+195,349,897
Navy Department and naval service.....	2,826,880,536	3,166,992,924	+340,112,388
Total, cash.....	5,751,428,483	6,635,700,168	+884,271,685
Other obligational availability:			
Contractual authorizations.....	420,079,000	468,673,001	+48,594,001
Corporate funds.....	346,890	446,890	+100,000
Administrative expense limitations.....	6,212,000	7,410,000	+1,198,000
Total, other obligational availability.....	426,637,890	476,529,891	+49,892,001
Grand total.....	6,178,066,373	7,112,230,059	+934,163,686

In previous measures of the present and preceding sessions of this Congress rescissions have been effected as follows:

Cash.....		\$50, 771, 861, 872
Other obligational availability:		
Contractual authorizations.....	\$10, 478, 231, 473	
Corporate funds.....	1, 190, 500	
Administrative expense limitations.....	9, 318, 307	
		10, 488, 740, 280
Total.....		61, 260, 602, 152

This measure, as presented, therefore, would raise the total of cash rescissions to \$57,407,562,040 and the total of cancellations of contractual authorizations to a gross amount of \$10,943,231,473, but a net amount of \$5,246,046,297 because \$5,597,185,176 of the cash rescissions are for liquidating that amount of such total of contractual authorizations.

While the total of rescissions made and now proposed is prodigious, the committee believes that it may be appreciably added to and intends to conduct another inquiry before the close of the fiscal year, particularly as regards funds available to the armed services. It is manifest from the expenditure and obligation figures in House Document 394 as to such services that either such figures are overstated or the projected expenditures for the fiscal years 1946 and 1947, contained in the 1947 Budget, are understated. It may develop that the difference will appreciably narrow as the fiscal year nears its close by further contract terminations or the contraction of programs under way and the abandonment of others not yet undertaken. Firmer figures also will become available as the year progresses.

With respect to contract terminations thus far effected, the committee's inquiry brought out the fact that settlements thereof are lagging in many cases because contractors see a real or potential pecuniary advantage in waiting. The following is quoted from the hearings on the accompanying bill of a flagrant instance of this kind (p. 496):

Admiral COCHRANE. We have—not seriously—some difficulty, and in one or two cases we have actually forced advance payment on a contractor who did not want to settle—I mean he was not unpleasant about it, but he preferred not to settle because he was getting a considerable interest return on the balance Uncle Sam owed him. In that case we simply made an estimate, as nearly as we could, of what would be his ultimate requirement and paid him all but a million dollars of it. We gave him a check for 18½ million dollars, which he had to take, of course, and that left our expended balance to him something in the order of maybe \$600,000. But that cut an interest bill of about \$40,000 a month out entirely.

It is the duty of every Federal official having a responsibility in such matters to press for settlements with the greatest possible dispatch consistent with arriving at mutually equitable solutions, and when they fail to do so, they are not faithfully discharging their obligation to the Government.

These appropriation rescissory measures (this is the fourth) offer the surest and quickest way of getting war-swollen appropriations down to levels that will make possible a balanced budget, and in the

early attainment of that objective it is important that the scaling down process in the current fiscal year be accomplished in a way that will dovetail with the appreciably reduced budget that has been presented for the ensuing fiscal year, within the bounds of which there should be every effort to stay. Precipitate drops at the close of the present fiscal year should be guarded against as much as practicable. Living within the new budget would mean no later augmentation of appropriations. Pay rolls and other expenses at the start of the year should be at levels which the initial appropriations could maintain. With the end of this fiscal year readjustment and stabilization should have progressed to the point where deficiency or supplemental appropriations should not be necessary except to implement laws enacted or to meet pressing needs arising after the regular annual appropriations have been made.

A table commences on page 10 hereof, which shows as to each 1946 or no-year appropriation affected by the bill the availability at the beginning of the fiscal year, rescissions made and proposed, the balances remaining, and obligations as of October 31, 1945. A more complete itemization is contained in House Document 394. These data should suffice as a report on most of the items, as to each of which the committee has made a detailed inquiry and has been supplied with volumes of facts and figures. As earlier stated herein, the committee believes that appreciable additional amounts later may be recovered of funds available to the armed services. The Army and Navy are still laboring with demobilization and attendant perplexing problems. However, their finances are under continual review by the Bureau of the Budget, which may be relied upon, the committee feels, to freeze for later rescission any amounts the retention of which is not wholly warranted.

TITLE I.—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS

The summation at the forepart hereof accounts in total for the activities embraced by this title. A restatement follows:

	H. Doc. 394	Bill	Increase
Cash.....	\$1, 503, 971, 475	\$1, 852, 780, 875	+\$348, 809, 400
Contractual authorizations.....	420, 079, 000	463, 673, 001	+43, 594, 001
Corporate funds ¹	346, 890	446, 890	+100, 000
Administrative expense limitations.....	6, 212, 000	7, 410, 000	+1, 198, 000

¹ Corporations created by the Coordinator of Inter-American Affairs.

While several agencies are involved in the foregoing amounts, all but a relatively negligible portion of the total is traceable to Defense Aid—Lend-Lease, and to the two related agencies—the United States Maritime Commission and the War Shipping Administration.

DEFENSE AID—LEND-LEASE

Unexpended balance, Nov. 30, 1945-----	\$4, 927, 033, 000
Deduct outstanding obligations Nov. 30, 1945-----	3, 449, 148, 000
	<hr/> 1, 477, 885, 000
Add estimated savings through cancellation of outstanding obligations-----	100, 000, 000
	<hr/> 1, 577, 885, 000
Deduct for liquidation of commitments and incidental and administrative expenses from Dec. 1, 1945, to June 30, 1946---	727, 885, 000
	<hr/> 850, 000, 000
Balance recommended in H. Doc. 394 for rescission-----	

The committee proposes an additional amount of \$230,000,000, or a total rescission of \$1,080,000,000. This would have the effect of reducing by \$230,000,000, or to \$497,885,000, the amount above indicated as a reserve for liquidating commitments and incidental and administrative expenses from December 1, 1945, to June 30, 1946, of \$727,885,000, of which a segregation by categories appears on page 208 of the hearings.

This activity is being liquidated. No new commitments will be made. Unexpended funds are for discharging existing obligations, a goodly portion of which may yet be canceled. Settlements are being accelerated and the committee is advised that every effort is being made, in consequence of committee pressure, to liquidate all outstanding obligations as expeditiously as practicable.

A considerable portion of the \$727,885,000 reserved for liquidating commitments consists of funds due various Federal agencies for articles procured for lend-lease or articles procured for or services rendered lend-lease at an expense to other Federal agency funds. Something like \$180,000,000 is owing to the War and Navy Departments. There is an amount due the War Shipping Administration. Also, there is an amount in excess of \$62,000,000 reserved for possible overruns on contracts made by the Procurement Division of the Treasury Department. The committee's reduction of \$230,000,000 is directed against such obligations to other Federal agencies. If such agencies cannot absorb the amounts, it is felt that they should seek relief through estimates of appropriations, which would give the Congress an opportunity to pass upon the matter.

Lend-lease in terms of money has been costly. In the last report of its operations, transmitted by the President to the Congress on January 31, 1946, it is stated that "total lend-lease aid from the beginning of the program on March 11, 1941, to October 1, 1945, and reported as of the latter date, amounted to \$46,000,000,000." That expenditure, however, was as much a part of our war cost as were the direct expenditures on account of our armed services. That is borne out by the testimony of Foreign Liquidation Commissioner McCabe, who stated to the committee—

Looking back, Mr. Chairman, I feel that the lend-lease aid given to our allies was one of the most constructive things this country did during the war. As to the aid given Russia, I could not conceive of how Russia could have survived as long as she did without lend-lease aid.

On the western front the British, without the aid we gave them, not only on the western front but in the Mediterranean, could not have stood up.

The aid figure cited would have been more had it not been for reverse lend-lease, which lessened by well over \$6,000,000,000 our

war appropriations. The exact amount still awaits ascertainment. Then, too, of such aid figure, there has been considerable recovery, and there will be more, through cancellations of obligations and through purchase by lend-lease governments of articles on order or in transit or unused in their possession when lend-lease aid and procedures were terminated.

U. S. MARITIME COMMISSION AND WAR SHIPPING ADMINISTRATION

	H. Doc. 394	Bill	Increase
War Shipping Administration:			
Revolving fund.....	\$358, 415, 000	\$375, 000, 000	+\$16, 585, 000
Maritime training fund.....	351, 000	2, 000, 000	+1, 649, 000
Marine and war risk insurance fund, revolving fund.....	25, 000, 000	60, 000, 000	+35, 000, 000
U. S. Maritime Commission:			
Cash: Construction fund, revolving fund.....	260, 068, 000	300, 068, 000	+40, 000, 000
Contractual authorization, construction fund, revolving fund.....	420, 079, 000	460, 000, 000	+39, 921, 000
Total cash.....	643, 834, 000	737, 068, 000	93, 234, 000

The revolving fund of the War Shipping Administration is employed to finance operational functions normally a responsibility of the United States Maritime Commission. The committee has increased by \$16,585,000, or to \$375,000,000, the recommended rescission contained in House Document 394. The additional rescission assumes such an amount of excess revenues over expenditures.

The committee has added \$1,649,000 to the rescission proposed in the Budget's submission of the Maritime training fund, because it doubts very much if the training levels projected for the remainder of the fiscal year can be maintained. Prevailing conditions inject a number of imponderables which make close estimating impracticable.

The additional rescission proposed by the committee of the marine and war risk insurance fund anticipates claims of numbers and dimensions below agency estimates. A large subsidence followed VJ-day and one estimate of future demands is about as good as another.

Of the contractual authority available to the United States Maritime Commission for the construction of ships and facilities, the committee considered a proposal for the repeal of \$420,079,000. It proposes to add to such amount \$39,921,000, which, the probabilities are, will not be needed for obligation before the close of the current fiscal year, if at all, depending upon future developments regarding the size and type of the merchant marine it will be in the public interest to maintain. Of the cash construction fund, which is for satisfying obligations incurred under the contractual authorization, approximately a corresponding amount, i. e., \$39,921,000 is recommended for rescission beyond the amount the Budget has proposed. Such cash fund exists for liquidating contracts under the contractual authorization. Therefore, the amount of obligational availability rescinded is the amount of contractual authorization rescinded.

FEDERAL WORKS AGENCY

War public works (community facilities): The rescission formally proposed under this head, as indicated in House Document 394, is \$3,100,000. The Budget Bureau later recommended in a communi-

cation to the committee an additional \$2,400,000. The committee has added \$250,000, making the total rescission \$5,750,000. Of such amount, \$4,250,000 applies to construction projects and \$1,500,000 to child-care centers under the service projects category.

The entire activity is in course of being liquidated and the committee is advised that it is quite likely that a further rescission later will be proposed, depending upon settlements yet to be effected.

In addition to the foregoing, the committee is proposing, of its own volition, the following rescissions:

Liquidation of Work Projects Administration.....	\$120, 000
Work relief in Puerto Rico and the Virgin Islands.....	1, 000, 000
Construction of public buildings outside the District of Columbia....	15, 662, 000
Construction of public buildings in and near the District of Columbia..	1, 500, 000
Construction of public buildings in the District of Columbia (contractual authority).....	3, 673, 001

The amounts applying to the first two of the foregoing items have been reported as surplus. The remaining amounts are in suspense awaiting new authorizing legislation.

TITLE II—MILITARY ESTABLISHMENT

Gross amount of funds available in 1946.....	\$64, 122, 200, 640
Previously rescinded.....	30, 263, 923, 993
Rescissions proposed in accompanying measure.....	1, 615, 926, 369
Available balance for new and old obligations.....	32, 242, 350, 278

The rescissions made and proposed fall a trifle short of 50 percent of the funds originally available for expenditure and obligation during the present fiscal year.

The new rescission appears relatively small. It exceeds by \$195,-349,897 the sum of the recommendations which the committee considered. The committee's examination does not warrant the recapture of a larger amount at this time. It should be borne in mind that the balance applies to the whole fiscal year, during the early part of which costs were at war levels. Considering that fact, the showing is quite a remarkable one. The committee, nevertheless, believes that further economies may be effected under strong administrative pressure and that additional recoveries may yet ensue from contract cancellations.

The details of the instant rescission are shown on pages 14 to 18 hereof. Of the total, approximately 62 percent applies to the Air Corps. The committee considered a proposal to rescind \$972,479,000 of funds remaining available to the Air Corps. It has increased the amount to an even billion dollars.

Anent the Army Air Forces, attention is invited to the comprehensive and illuminating statement of the deputy commander thereof, Lt. Gen. Ira C. Eaker, commencing on page 424 of the hearings. It contains much food for thought. The following excerpt is particularly impressive:

"The most persistent lesson learned by those who engage in warfare is that the weapons used for one war become obsolescent on the termination of hostilities. The recent conflict just concluded is no exception, and it may be said that the age of scientific warfare has begun. Once the capacities of an offensive weapon are known, no

nation would attempt aggressive action without first developing adequate defensive measures against it. This fact, in itself, renders practically every aircraft used in the recent conflict obsolete. Realizing this, the AAF has turned its thought toward new designs and new methods, including jet-propelled and rocket-assisted aircraft. Self-propelled rockets, bombs, and guided missiles are weapons of destruction and may not be readily accepted as a profitable enterprise for commercial development. We must, therefore, conclude that the burden for development of such equipment rests with the armed forces. With this thought in mind, the AAF has directed attention toward the development and control of this equipment. Through its exploitation, we hope to maintain and extend our stature as the most progressive air power in the world, using the most advanced equipment and training in the most modern concepts of employment. This policy can insure the peace and guarantee the safety of the United States as nothing else can."

Science has revolutionized the ways and means of offensive-defensive warfare. We stand at the crossroads of a new era. There must be reorientation. That which science has shelved as passé must be put aside beyond such as may be definitely essential as an interim requirement, and funds and talents and energies channeled into the development and production of the most modern procurable replacements. From a financial standpoint, it is vital that interim forces be adjusted to adequate levels without delay.

Travel on Army airplanes.—It has come to the attention of the committee that the War Department is looked to in many cases to provide air transportation gratis to civilian personnel of other executive agencies. In those cases where agencies, other than the White House, have appropriations for travel, it is the judgment of the committee that unless the travel is to be performed on a regularly scheduled flight, commercial facilities should be used, if available, and, if not, that a charge should be made at the commercial rate. A contrary procedure would have the effect of increasing limited appropriations for travel.

Overseas bases.—Funds proposed for retention under "Engineer service, Army," include \$100,000,000 for facilities in the Marianas, Okinawa, and the Philippines. Both the Army and the Navy are proceeding with permanent installations in the far Pacific area. The committee believes that before any further commitments are made there should be a determination by proper authority—not by each service itself—as to what should be built, where it should be built, which of the armed services will be the occupant, and the size of the future permanent garrison. Dual installations should not be countenanced except for most cogent reasons.

TITLE III—NAVAL ESTABLISHMENT

Gross amount of funds available in 1946, including prior-year and no-year funds.....	\$39, 007, 966, 995
Previously rescinded.....	14, 370, 159, 964
Rescissions proposed in accompanying measure.....	3, 166, 992, 924
Available balance for new and old obligations.....	21, 470, 814, 107

The committee has increased the amount of the rescissions recommended by \$340,112,388. Details as to items affected appear on pages 19 to 21 hereof.

The committee's examination leads to the conclusion that Navy funds offer the largest amount of future potential rescissions. Obligations made and projected should be carefully reexamined by the Bureau of the Budget looking to further cancellations and the abandonment of projects not started which are not thoroughly justified. As regards both of the armed services, close attention should be given to contracts for fabricated articles having no commercial value, without regard to the degree of completion, if such articles have been outmoded or will be obsolescent upon delivery. This would apply particularly to airplanes and accessories and to Signal Corps type of equipment and material for uses common to both services.

The principal Navy rescissions follow:

Ordnance and ordnance stores, 1946	\$100,000,000
Pay and subsistence of naval personnel, 1946	400,000,000
Transportation of things, Navy, 1946	150,000,000
Naval stock fund	275,000,000
Public works	190,000,000
Aviation, Navy, 1946	215,887,000
Increase and replacement of naval vessels	961,726,000
Prior year appropriations	782,332,924

The rescission of \$400,000,000 of the appropriation for pay and subsistence of naval personnel is altogether a committee recommendation. There has been a previous rescission of \$1,317,369,200. Actual appropriation needs will not be known until the fiscal year has lapsed. There are very many elements involved which preclude close estimating. The committee believes that in the end the reduction it is proposing will not be far, if any, amiss, unless there should be legislation creating charges which would absorb the savings the reduction anticipates.

The naval stock fund reduction is associated with another item in the bill reducing the naval stock account from \$2,250,000,000 to \$1,750,000,000, made possible by the contraction of the Navy and the consequent lessening of inventory requirements. The reduced size of the account permits of the reduction proposed in the cash working balance of the naval stock fund.

Regarding the rescissions applicable to public works and increase and replacement of naval vessels, it should be made clear that they are not permanent savings. They are amounts available in excess of disbursing needs during the current fiscal year for settling existing firm obligations. They will need to be replaced at a later time. As to public works, however, the committee has made a reduction of \$5,000,000 of the uncommitted balance of contractual authorization, directed against two land acquisition projects, additional facilities at Quantico, and school facilities at Key West.

The rescission applying to naval aviation is an increase of \$50,000,000 over the proposal in House Document 394, and has been made in the subappropriation "Maintenance, operation, and repair." The committee feels that the additional amount is wholly warranted by the contraction that has occurred and still is in process.

GENERAL PROVISION

During the war materials were exchanged between the Army and Navy with the understanding that reimbursement would be made therefor. The preparation of vouchers required for such reimbursement involves considerable clerical detail and, in addition, it is probable that a large portion of the exchanges were made in the combat zones and that such exchanges were never fully documented. Following the recommendation of the War and Navy Departments, the bill includes a provision (p. 17) that unliquidated charges for materials exchanged prior to September 1, 1945, be canceled.

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945

**TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS
(NONWAR)**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS						
Executive Office of the President:						
Office for Emergency Management:						
National Wage Stabilization Board, salaries and expenses	\$13,320,000	\$1,566,500	\$1,600,000	\$650,000	\$9,503,500	\$6,710,179
Office of Scientific Research and Development, salaries and expenses-----	70,000,000	56,101,792	515,000	40,000	13,343,208	4,411,599
War Shipping Administration:						
Revolving fund-----	3,279,044,628	195,452,000	358,415,000	16,585,000	2,708,592,628	1,982,215,937
Maritime training fund----	69,749,581	25,000,000	351,000	1,649,000	42,749,581	23,053,698
Marine and war-risk insurance fund, revolving fund-----	194,839,695	91,000,000	25,000,000	35,000,000	43,839,695	101,934,778
Office of Censorship, salaries and expenses-----	13,000,000	8,200,000	212,600	202,800	4,384,600	514,394

Petroleum Administration for War, salaries and expenses	3, 968, 200	1, 800, 000	100, 000	100, 000	1, 968, 200	633, 739
Total, Office for Emergency Management	3, 643, 922, 104	379, 120, 292	386, 193, 600	54, 226, 800	2, 824, 381, 412	2, 119, 474, 324
Emergency funds appropriated to the President: Defense aid—lend-lease	9, 122, 828, 000	1, 739, 561, 000	850, 000, 000	230, 000, 000	6, 303, 267, 000	1, 477, 885, 000
Total, Executive Office of the President	12, 766, 750, 104	2, 118, 681, 292	1, 236, 193, 600	284, 226, 800	9, 127, 648, 412	3, 597, 359, 324
Independent offices:						
Employees Compensation Commission: Employees compensation fund	15, 447, 644	1, 761, 644	300, 000	1, 000, 000	12, 386, 000	9, 634, 741
U. S. Maritime Commission: Construction fund, act June 29, 1936, revolving fund	847, 387, 830	496, 500, 000	260, 068, 000	40, 000, 000	50, 819, 830	323, 766, 546
Federal Security Agency: Public Health Service: Health and sanitation activities, war and defense areas (national defense)	2, 837, 824	392, 568	50, 000	75, 000	2, 320, 256	1, 391, 400
Federal Works Agency:						
Office of the Administrator:						
War public works (community facilities)	52, 338, 786	13, 700, 000	3, 100, 000	2, 650, 000	32, 888, 786	25, 670, 999
Liquidation of Work Projects Administration, 1944				120, 000		
Work relief in Puerto Rico and the Virgin Islands, 1944				1, 000, 000		

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945—Continued

**TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS
(NONWAR)—Continued**

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS—continued						
Independent offices—Continued						
Federal Works Agency—Continued						
Public Buildings Administration: Emergency safeguarding of public buildings and property-----	\$7, 588, 980	\$7, 150, 000	\$75, 000	-----	\$363, 980	\$170, 250
Construction of public buildings outside the District of Columbia-----	-----	-----	-----	\$15, 662, 600	-----	-----
Construction of public buildings in and near the District of Columbia-----	-----	-----	-----	1, 500, 000	-----	-----
Public Roads Administration: Flight strips (national defense)-----	374, 740	318, 008	56, 732	-----	-----	56, 732
Total, independent offices-----	925, 975, 804	519, 822, 220	263, 649, 732	62, 007, 600	98, 778, 852	360, 690, 668

Executive departments:					
Department of Agriculture: Emergency supplies for Territories and possessions-----					
	63, 397, 099	25, 000, 000	2, 500, 000	2, 500, 000	33, 397, 099
Department of the Interior:					
Office of Fishery Coordination:					
Salaries and expenses-----	212, 500	57, 000	12, 000	-----	143, 500
Emergency funds appropriated to the President: Emergency fund for the President, national defense (allotment to Interior, Territories and island possessions)-----					
	1, 662, 806	-----	1, 391, 143	-----	271, 663
Department of Justice: Legal activities and general administration, salaries and expenses, Lands Division-----					
	3, 400, 000	-----	225, 000	75, 000	3, 100, 000
Total, executive departments--	68, 672, 405	25, 057, 000	4, 128, 143	2, 575, 000	36, 912, 262
Grand total, title I-----	13, 761, 398, 313	2, 663, 560, 512	1, 503, 971, 475	348, 809, 400	9, 263, 339, 526
Reductions in contractual authorizations, title I:					
Independent offices:					
U. S. Maritime Commission:					
Construction fund, act June 29, 1936, revolving fund-----	822, 184, 067	325, 900, 000	420, 079, 000	39, 921, 000	36, 284, 067
Federal Works Agency, Public Buildings Administration:					
Construction of buildings in the District of Columbia-----	-----	-----	-----	3, 673, 001	-----
					496, 284, 067

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945—Continued

TITLE II—MILITARY ESTABLISHMENT

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS						
Office of the Secretary of War: Expediting production of equipment and supplies for national defense, 1940-46----	\$728, 218, 284	\$282, 892, 000	\$20, 545, 000	-----	\$424, 781, 284	-\$32, 975, 971
General Staff Corps:						
Special field exercises, Army, 1942-46-----	55, 942, 878	51, 246, 874	50, 000	\$2, 363, 868	2, 282, 136	- ¹ 4, 254, 577
Adjutant General's Department: Command and General Staff School, Fort Leavenworth, Kans., 1942-46-----	239, 094	-----	20, 000	-----	219, 094	153, 277
Finance Department:						
Pay of the Army-----	² 11, 245, 197, 312	-----	-----	61, 435, 757	² 11, 183, 761, 555	² 4, 981, 388, 665
Expenses of courts martial-----	653, 157	36, 000	4, 700	-----	612, 457	394, 683
Apprehension of deserters-----	834, 569	171, 000	200, 000	250, 000	213, 569	312, 472
Finance service-----	53, 452, 353	-----	4, 000, 000	-----	49, 452, 353	33, 193, 707
Claims for damages due to loss						

Quartermaster Corps: Quartermaster Service, Army, 1942-46: Welfare of enlisted men-----	73, 825, 412	5, 000, 000	1, 850, 000	3, 550, 000	63, 425, 412	26, 442, 088
Transportation Corps: Transportation Service, Army, 1945-46-----	2, 295, 916, 319	704, 268, 000	43, 775, 000	36, 225, 000	1, 511, 648, 319	618, 460, 883
Signal Corps: Signal Service of the Army, 1942-46-----	3, 070, 236, 293	1, 675, 684, 000	69, 902, 000	15, 098, 000	1, 309, 552, 293	162, 589, 240
Air Corps; Army, 1942-46-----	18, 938, 878, 917	11, 799, 313, 000	972, 479, 000	27, 521, 000	6, 139, 565, 917	500, 637, 803
Medical Department: Medical and Hospital Department, Army, 1942-46-----	542, 710, 369	267, 539, 000	27, 615, 000	-----	247, 556, 369	108, 858, 023
Corps of Engineers:						
Engineer service, Army, 1942-46: Engineer service-----	4, 087, 733, 452	2, 011, 648, 000	7, 056, 000	42, 944, 000	2, 026, 085, 452	582, 466, 768
Repair of arsenals, Army, 1942-46--	1, 238, 691	-----	661, 905	-----	576, 786	661, 905
Emergency construction (no year)-----	480	-----	480	-----	-----	480
Acquisition of land:						
Panama, Army (no year)-----	395, 593	-----	395, 593	-----	-----	395, 593
Buchanan, P. R. (no year)-----	8, 284	-----	8, 284	-----	-----	8, 284
Act June 26, 1940 (no year)-----	87, 841	-----	13, 254	-----	74, 587	13, 254
Military purpose, national defense (no year)-----	764, 058	-----	360, 941	-----	403, 117	360, 941
San Bernardino, Kern, Los Angeles County, Calif. (no year)-----	1, 520	-----	1, 470	-----	50	1, 470
Ogden Ordnance Depot, Utah (no year)-----	60, 420	-----	60, 420	-----	-----	60, 420

¹ To be met by savings through cancellations.

² Excludes funds transferred from other appropriations; mostly Air Corps.

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945--Continued

TITLE II--MILITARY ESTABLISHMENT--Continued

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS--continued						
Corps of Engineers--Continued						
Sites for military purposes (no year) -	\$10, 507	-----	\$10, 065	-----	\$442	\$10, 065
Construction of buildings, utilities, and appurtenances at military posts (no year)-----	31, 176, 025	-----	12, 533, 633	-----	18, 642, 392	12, 533, 633
Office buildings and appurtenances, War Department, Arlington, County, Va. (no year)-----	166	-----	157	-----	9	-----
Buildings for United States representatives, Philippine Islands (no year)-----	304	-----	304	-----	-----	304
Ordnance department: Ordnance service and supplies, Army, 1942-46-----	11, 205, 360, 716	\$8, 100, 000, 000	201, 035, 000	-----	2, 904, 325, 716	¹ - 648, 632, 444
Chemical Warfare Service, Army, 1942-46-----	1, 333, 298, 947	997, 870, 000	19, 860, 000	\$1, 740, 000	313, 828, 947	10, 432, 583

Special service schools:								
Infantry School-----	667, 560	81, 000	181, 200	-----	-----	405, 360	410, 567	
Cavalry activities-----	144, 163	22, 700	30, 300	-----	-----	91, 163	74, 683	
Field artillery activities-----	690, 757	74, 300	130, 500	-----	-----	485, 957	383, 459	
Coast artillery activities-----	160, 717	-----	40, 500	-----	-----	120, 217	108, 865	
Armored force: Instruction in armored force activities, 1942-46-----	899, 335	-----	83, 000	-----	-----	816, 335	716, 418	
Seacoast defense:								
General, 1942-46-----	22, 237, 641	1, 664, 000	12, 183, 000	2, 500, 000	-----	5, 890, 641	8, 633, 530	
General, no year-----	10, 371, 696	-----	9, 698, 373	-----	-----	673, 323	9, 035, 595	
No year-----	1, 010, 705	-----	708, 225	-----	-----	302, 480	708, 225	
Insular Department, no year-----	50, 468	-----	50, 456	-----	-----	12	50, 456	
Panama Canal, no year-----	1, 301, 821	-----	622, 470	-----	-----	679, 351	622, 470	
U. S. Military Academy: Pay of Mili- tary Academy, 1942-46-----	1, 988, 067	21, 000	104, 000	22, 272	-----	1, 840, 795	1, 256, 530	
Citizens Military Training: Military supplies and equipment for schools and colleges, 1942-46-----	6, 083	-----	6, 083	-----	-----	-----	6, 083	
National Board for promotion of rifle practice, Army: Promotion of rifle practice, 1942-46-----	111, 875	-----	17, 500	-----	-----	94, 375	88, 112	

To be met by savings through cancellations.

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945—Continued

TITLE II—MILITARY ESTABLISHMENT—Continued

Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS—continued						
Inter-American Relations, War Department:						
Inter-American Relations, War Department, 1943-46-----	\$602, 470	\$75, 000	\$30, 000	-----	\$497, 470	\$339, 862
National defense activities, War Department, 1942-46-----	2, 659	-----	2, 659	-----	-----	2, 659
Office of the Secretary:						
Contingent expenses, War Department, 1942-46-----	8, 377, 449	1, 200, 000	1, 000, 000	\$200, 000	5, 977, 449	3, 704, 162
Printing and binding, War Department, 1942-46-----	68, 611, 473	18, 000, 000	3, 000, 000	1, 500, 000	46, 111, 473	12, 990, 550
Emergency funds appropriated to the President: Emergency fund for the President, national defense (allotment to war), 1942-46-----	10, 000, 000	-----	10, 000, 000	-----	-----	10, 000, 000
Total, title II-----	53, 795, 241, 231	25, 916, 805, 874	1, 420, 576, 472	195, 349, 897	26, 262, 508, 988	5, 076, 786, 935

TITLE III—NAVAL ESTABLISHMENT

CASH APPROPRIATIONS, 1946					
Office of the Secretary: Naval Research Laboratory-----	\$4, 390, 000	\$90, 000	\$57, 000	\$18, 000	\$4, 225, 000
Bureau of Naval personnel:					\$2, 628, 640
Naval training station, Port Deposit, Md., 1946-----	4, 038, 000	500, 000	200, 000	-----	2, 295, 275
Welfare and recreation, Navy, 1946-----	15, 124, 000	4, 124, 000	2, 000, 000	-----	6, 329, 508
Naval Reserve Officers' Training Corps, 1946-----	658, 000	-----	50, 000	200, 000	319, 782
Bureau of Ships: Maintenance, Bureau of Ships, 1946-----	2, 789, 933, 639	1, 468, 000, 000	-----	30, 000, 000	1, 291, 933, 639
Bureau of Ordnance: Ordnance and ordnance stores, Navy, 1946-----	2, 998, 909, 000	2, 575, 225, 500	97, 775, 000	2, 225, 000	275, 368, 472
Bureau of Supplies and Accounts:					200, 520, 664
Pay and subsistence of naval personnel, 1946-----	6, 732, 852, 000	1, 317, 369, 200	-----	400, 000, 000	5, 015, 482, 800
Maintenance, 1946-----	501, 092, 800	81, 314, 000	13, 657, 000	1, 343, 000	3, 131, 352, 876
Transportation of things, Navy, 1946-----	550, 000, 000	140, 036, 282	100, 000, 000	50, 000, 000	404, 778, 800
Naval stock fund, revolving fund-----	-----	-----	275, 000, 000	-----	243, 960, 387
Bureau of Medicine and Surgery: Medical Department, Navy-----	122, 655, 685	30, 000, 000	17, 000, 000	-----	259, 963, 718
					229, 077, 025

					75, 655, 685
					70, 351, 182

Statement as to items affected by bill showing (1) appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements, (2) rescissions previously made, (3) further rescissions now recommended, (4) availability remaining for the whole fiscal year period, and (5) unobligated balance Oct. 31, 1945—Continued

TITLE III—NAVAL ESTABLISHMENT—Continued

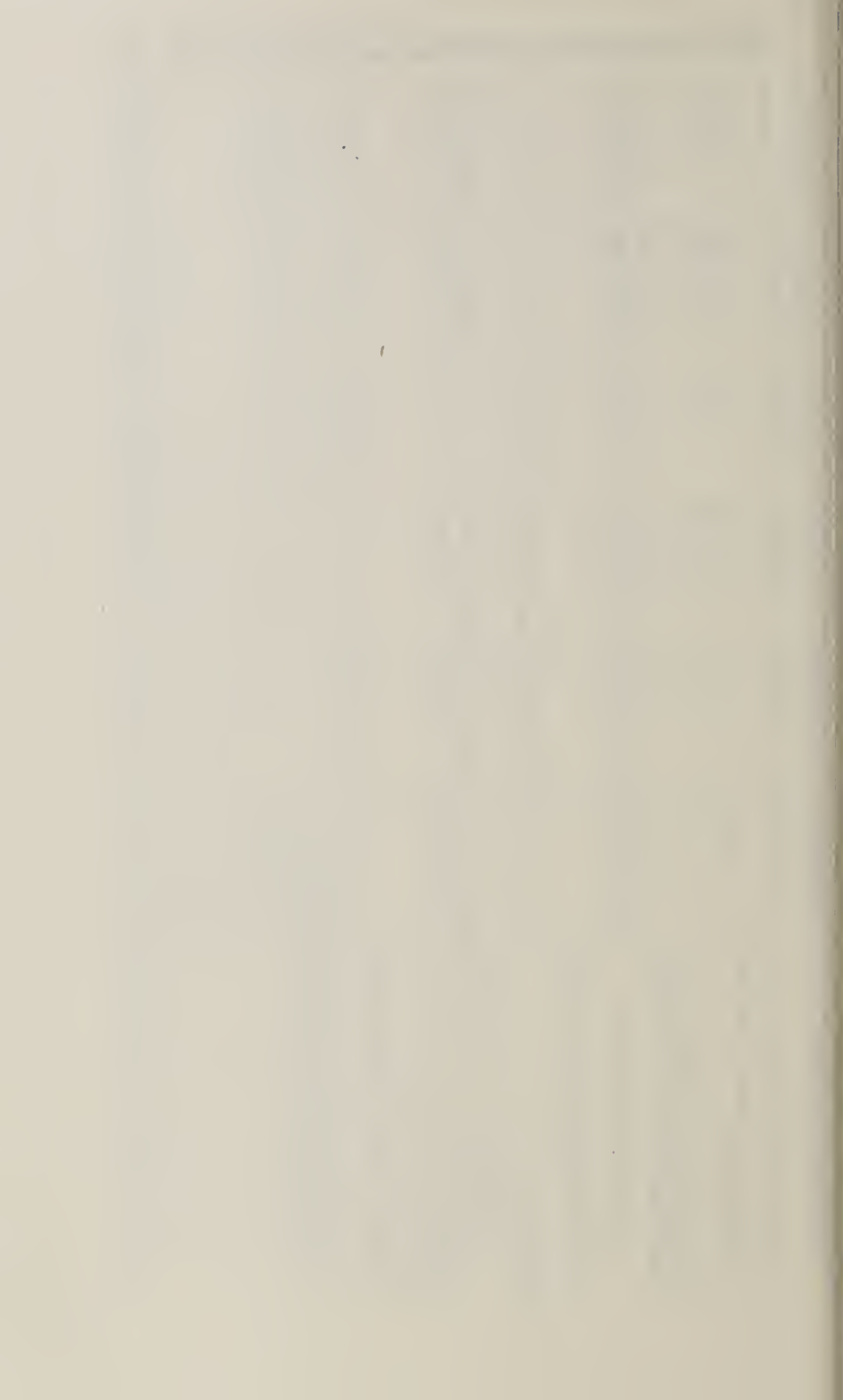
Agency and appropriation	Appropriation or contract authorization available July 1, 1945, plus or minus transfers or reimbursements	Previously rescinded	Rescission recommended in H. Doc. 394	Additional rescission recommended by committee	Balance remaining for whole fiscal year period	Unobligated balance, Oct. 31, 1945, exclusive of savings through cancellations
CASH APPROPRIATIONS, 1946—continued						
Bureau of Yards and Docks:						
Maintenance, 1946-----	\$149, 673, 000	\$5, 000, 000	\$100, 000	-----	\$144, 573, 000	\$87, 824, 350
Public works-----	1, 583, 993, 591	400, 000, 000	190, 000, 000	-----	993, 993, 591	147, 172, 373
Bureau of Aeronautics: Aviation, Navy, 1946-----	2, 441, 298, 360	1, 359, 367, 650	165, 887, 000	\$50, 000, 000	866, 043, 710	685, 408, 757
Increase and Replacement of Naval Vessels:						
Construction and machinery-----	3, 473, 393, 536	732, 104, 151	602, 491, 000	-----	2, 138, 798, 385	1-869, 871, 711
Armor, armament, and ammunition.	1, 342, 696, 342	276, 876, 967	338, 848, 000	-----	726, 971, 375	47, 752, 628
Emergency construction-----	383, 501, 917	38, 385, 489	20, 387, 000	-----	324, 729, 428	89, 891, 041
Repair facilities, Navy-----	176, 749, 420	38, 266, 050	18, 281, 000	-----	120, 202, 370	1, 650, 337

Coast Guard:						
Pay and allowances, 1946-----	394, 562, 087	80, 000, 000	1, 276, 000	5, 724, 000	307, 562, 087	192, 901, 344
General expenses, 1946-----	62, 375, 500	20, 000, 000	1, 002, 000	498, 000	40, 875, 500	24, 318, 321
Retired pay, former Lighthouse Service, 1946-----	980, 000	-----	36, 612	4, 388	939, 000	668, 764
Navy Department: Contingent and miscellaneous expenses, Hydrographic Office, 1946-----	3, 840, 000	413, 000	500, 000	100, 000	2, 827, 000	2, 117, 527
Total, 1946 appropriations-----	23, 732, 716, 877	8, 567, 072, 289	1, 844, 547, 612	540, 112, 388	13, 055, 984, 588	4, 572, 037, 542
CASH APPROPRIATIONS, 1945 AND PRIOR FISCAL YEARS						
Sundry items-----	8, 296, 701, 869	4, 332, 122, 388	982, 332, 924	--- ³ 200,000,000	3, 182, 246, 557	1-335, 187, 628
Grand total, title III, cash appropriations-----	32, 029, 418, 746	12, 899, 194, 677	2, 826, 880, 536	340, 112, 388	16, 238, 231, 145	4, 236, 849, 914
Reduction in contractual authorization, title III:						
Bureau of Yards and Docks: Public works-----	1, 834, 527, 427	1, 248, 510, 540	-----	5, 000, 000	581, 016, 887	272, 670, 246

¹ To be met by savings through cancellations.

³ Restoration, "Aviation, Navy, 1945."





Union Calendar No. 496

79TH CONGRESS
2D SESSION

H. R. 5604

[Report No. 1671]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 1946

Mr. CANNON of Missouri introduced the following bill; which was referred to the Committee on Appropriations

FEBRUARY 27, 1946

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the appropriations and contractual authorizations of the
- 4 departments and agencies available in the fiscal year 1946,
- 5 and prior year unreverted appropriations, are hereby reduced
- 6 in the sums hereinafter set forth, such sums to be carried to
- 7 the surplus fund and covered into the Treasury immediately
- 8 upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-
2 DENT, INDEPENDENT OFFICES, AND EXECU-
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT
5 OFFICE FOR EMERGENCY MANAGEMENT

6 National War Labor Board:

7 Salaries and expenses, \$2,250,000.

8 Office of Scientific Research and Development:

9 Salaries and expenses, \$555,000.

10 War Shipping Administration:

11 Revolving fund, \$375,000,000.

12 Maritime training fund, \$2,000,000.

13 Marine and war risk insurance fund, revolving fund,
14 \$60,000,000.

15 Office of Censorship: Salaries and expenses, \$415,400.

16 Petroleum Administration for War:

17 Salaries and expenses, \$200,000.

18 In all, Office for Emergency Management, \$440,-
19 420,400.

20 EMERGENCY FUNDS APPROPRIATED TO THE
21 PRESIDENT

22 Defense aid—lend-lease, \$1,080,000,000, to be deducted
23 from such of the categories specified in the various appro-
24 priation acts as may be determined by the Secretary of State
25 or such official as he shall designate.

INDEPENDENT OFFICES

Employees' Compensation Commission: Employees' compensation fund, \$1,300,000.

United States Maritime Commission: Construction fund, Act of June 29, 1936, revolving fund, \$300,068,000.

FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$125,000.

FEDERAL WORKS AGENCY

Office of the Administrator:

War public works (community facilities), \$5,750,000.

Liquidation of Work Projects Administration, 1944, \$120,000.

Work relief in Puerto Rico and the Virgin Islands, 1944, \$1,000,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$75,000.

Construction of public buildings outside the District of Columbia, \$15,662,600.

Construction of public buildings in and near the District of Columbia, \$1,500,000.

Public Roads Administration: Flight strips (national de-

1 fense) , \$56,732, and such additional amount as may remain
2 unobligated.

3 In all, independent offices, \$325,657,332.

4 EXECUTIVE DEPARTMENTS

5 [Non-War]

6 DEPARTMENT OF AGRICULTURE

7 Emergency supplies for Territories and possessions,
8 \$5,000,000.

9 DEPARTMENT OF THE INTERIOR

10 Office of Fishery Coordination: Salaries and expenses,
11 \$12,000.

12 Emergency funds appropriated to the President:

13 Emergency fund for the President, national defense
14 (allotment to Interior, Territories and island posses-
15 sions) , \$1,391,143.

16 DEPARTMENT OF JUSTICE

17 Legal activities and general administration: Salaries and
18 expenses, Lands Division, \$300,000.

19 In all, executive departments, \$6,703,143.

20 In all, title I, \$1,852,780,875.

21 Miscellaneous Provisions, Title I

22 REDUCTIONS IN CONTRACTUAL AUTHORIZATIONS

23 Contractual authorizations of the departments and agen-

1 cies available in the fiscal year 1946 are hereby reduced in
2 the sums hereinafter set forth:

3 INDEPENDENT OFFICES

4 United States Maritime Commission: Construction fund,
5 Act June 29, 1936, revolving fund, \$460,000,000.

6 Federal Works Agency, Public Buildings Administra-
7 tion: Construction of buildings in the District of Columbia,
8 \$3,673,001.

9 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE
10 EXPENSES

11 Limitations on amounts from funds of corporations and
12 other agencies for administrative expenses are hereby re-
13 duced in the following sums:

14 EXECUTIVE OFFICE OF THE PRESIDENT

15 Office for Emergency Management, Foreign Economic
16 Administration:

17 Rubber Development Corporation, \$160,000.

18 U. S. Commercial Company, \$250,000.

19 INDEPENDENT OFFICES

20 Federal Loan Agency, Reconstruction Finance Corpo-
21 ration:

22 Administrative expenses, Reconstruction Finance
23 Corporation and its affiliated organizations, \$7,000,000.

CORPORATE FUNDS TO BE TRANSFERRED TO THE
TREASURY

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation,
\$171,890.

Inter-American Navigation Corporation, \$175,000.

Prencinradio, Incorporated, \$100,000.

TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:

Expediting Production of Equipment and Supplies for National Defense, 1940–1946, \$20,545,000.

General Staff Corps:

Special Field Exercises, Army, 1942–1946,
\$2,413,868.

Adjutant General's Department:

Command and General Staff School, Fort Leavenworth, Kansas, 1942–1946, \$20,000.

1 Finance Department:

2 Finance Service, Army, 1942-1946, \$66,140,457,
3 and subappropriations under this head are hereby de-
4 creased as follows: (1) Pay of the Army, \$61,435,757;
5 (2) expenses of courts martial, \$4,700; (3) apprehen-
6 sion of deserters, \$450,000; (4) Finance Service,
7 \$4,000,000, and (5) claims for damages due to loss or
8 destruction of property, or personal injury, or death,
9 \$250,000.

10 Quartermaster Corps:

11 Quartermaster Service, Army, 1942-1946, sub-
12 appropriation "Welfare of enlisted men", \$5,400,000.

13 Transportation Corps:

14 Transportation Service, Army, 1945-1946,
15 \$80,000,000.

16 Signal Corps:

17 Signal Service of the Army, 1942-1946, \$85,-
18 000,000.

19 Air Corps:

20 Air Corps, Army 1942-1946, \$1,000,000,000.

21 Medical Department:

22 Medical and Hospital Department, Army, 1942-
23 1946, \$27,615,000.

1 Corps of Engineers:

2 Engineer Service, Army, 1942-1946, subappropri-
 3 ation "Engineer Service", \$50,000,000, and no part of
 4 such subappropriation shall be available after February
 5 25, 1946, for acquiring land or building permanent struc-
 6 tures within the continental limits of the United States,
 7 except structures not costing more than \$20,000.

8 Repair of arsenals, Army, 1942-1946, \$661,905.

9 Repair of arsenals, emergency construction, no year,
 10 \$480.

11 Acquisition of land, Panama, Army, no year,
 12 \$395,593.

13 Acquisition of land, Buchanan, Puerto Rico, no year,
 14 \$8,284.

15 Acquisition of land, Act June 26, 1940, no year,
 16 \$13,254.

17 Acquisition of land for military purposes, national
 18 defense, no year, \$360,941.

19 Acquisition of land, San Bernardino, Kern, Los
 20 Angeles Counties, California, no year, \$1,470.

21 Acquisition of land, Ogden Ordnance Depot, Utah,
 22 no year, \$60,420.

23 Sites for military purposes, no year, \$10,065.

24 Construction of buildings, utilities, and appurtenances
 25 at military posts, no year, \$12,533,633.

Office buildings and appurtenances, War Department, Arlington County, Virginia, no year, \$157.

Buildings for United States representatives, Philippine Islands, no year, \$304.

Ordnance Department:

Ordnance Service and Supplies, Army, 1942-1946, \$201,035,000.

Chemical Warfare Service:

Chemical Warfare Service, Army, 1942-1946, \$21,600,000.

Special Service Schools:

Special Service Schools, Army, 1942-1946, \$382,500, and subappropriations under this head are hereby decreased as follows: (1) Infantry School, \$181,200; (2) Cavalry activities, \$30,300; (3) Field Artillery activities, \$130,500; and (4) Coast Artillery activities, \$40,500.

Armored force:

Instruction in armored force activities, 1942-1946, \$83,000.

Seacoast defenses:

Seacoast defenses, general, 1942-1946, \$14,683,000, and no part of such appropriation shall be available after February 25, 1946, for the acquisition of land.

1 Seacoast defenses, general, no year, \$9,698,373.

2 Seacoast defenses, no year, \$708,225.

3 Seacoast defenses, Insular Departments, no year,
4 \$50,456.

5 Seacoast defenses, Panama Canal, no year, \$622,470.

6 United States Military Academy: Pay of Military
7 Academy, 1942-1946, \$126,272.

8 Citizens' Military Training:

9 Military supplies and equipment for schools and
10 colleges, 1942-1946, \$6,083.

11 National Board for Promotion of Rifle Practice, Army:

12 Promotion of rifle practice, 1942-1946, \$17,500.

13 Inter-American Relations, War Department:

14 Inter-American Relations, War Department, 1943-
15 1946, \$30,000.

16 National defense activities, War Department, 1942-
17 1946, \$2,659.

18 Office of the Secretary:

19 Contingent expenses, War Department, 1942-1946,
20 \$1,200,000.

21 Printing and binding, War Department, 1942-1946,
22 \$4,500,000.

Emergency funds appropriated to the President:

Emergency fund for the President, national defense
(allotment to War) , 1942-1946, \$10,000,000.

In all, title II, \$1,615,926,369.

TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:

Naval Research Laboratory, \$75,000.

Ocean and lake surveys, Navy:

Fiscal year 1944, \$48,925.

Fiscal year 1945, \$7,953.

Bureau of Naval Personnel:

Naval Training Station, Lake Pend Oreille, Idaho, 1944,
\$11,486.

Naval Training Station, Port Deposit, Maryland, 1946,
\$200,000.

Libraries, Navy, 1945, \$171,373.

Welfare and Recreation, Navy:

Fiscal year 1945, \$1,968,936.

Fiscal year 1946, \$2,000,000.

Naval Reserve Officers' Training Corps:

Fiscal year 1944, \$8,608.

Fiscal year 1945, \$62,595.

Fiscal year 1946, \$250,000.

1 Naval prison farms and prison personnel (receipt limi-
2 tation), 1944, \$38.

3 Bureau of Ships:

4 Maintenance, Bureau of Ships:

5 Fiscal year 1942, \$3,090,591.

6 Fiscal year 1943, \$53,724,957.

7 Fiscal year 1946, \$30,000,000: *Provided*, That this
8 appropriation shall be available for continuing the pur-
9 poses of the appropriation "Defense installations on mer-
10 chant vessels, Navy", when such latter appropriation is
11 exhausted.

12 Bureau of Ordnance:

13 Ordnance and ordnance stores, Navy:

14 Fiscal year 1945, \$205,247,233.

15 Fiscal year 1946, \$100,000,000.

16 Bureau of Supplies and Accounts:

17 Pay, subsistence, and transportation, Navy, 1944,
18 \$2,763,960.

19 Pay and subsistence of naval personnel, 1946, \$400,-
20 000,000.

21 Maintenance, Bureau of Supplies and Accounts:

22 Fiscal year 1944, \$5,000,000.

23 Fiscal year 1946, \$15,000,000.

24 Transportation of things, Navy, 1946, \$150,000,000.

1 Fuel and transportation, Navy, 1945, \$20,000,000.

2 Naval Stock Fund, \$275,000,000.

3 Bureau of Medicine and Surgery:

4 Medical Department, Navy:

5 Fiscal year 1944, \$2,372,599.

6 Fiscal year 1945, \$7,000,000.

7 Fiscal year 1946, \$17,000,000.

8 Bureau of Yards and Docks:

9 Maintenance, Bureau of Yards and Docks:

10 Fiscal year 1944, \$1,500,000.

11 Fiscal year 1945, \$4,000,000.

12 Fiscal year 1946, \$100,000.

13 Public Works, Bureau of Yards and Docks, \$190,-

14 000,000, and the contractual authorization for "Public Works,

15 Bureau of Yards and Docks", available in the fiscal year

16 1946, is hereby further reduced in the sum of \$5,000,000;

17 applicable to projects within the continental limits of the

18 United States, and neither the appropriation nor contractual

19 authorization under this head shall be available after Feb-

20 ruary 25, 1946, for the acquisition of land.

21 Bureau of Aeronautics:

22 Aviation, Navy:

23 Fiscal year 1943, \$225,000,000.

24 Fiscal year 1943-1944, \$10,000,000.

1 Fiscal year 1944, \$200,000,000.

2 Fiscal year 1946, \$215,887,000, and subappro-
3 priations under this head are hereby decreased as fol-
4 lows: (1) New construction and procurement of aircraft
5 and equipment, spare parts, and so forth, from
6 "\$128,116,900" to "\$94,737,200"; (2) replacement of
7 navigational and radio equipment for aircraft in service,
8 and so forth, from "\$44,934,000" to "\$34,917,200";
9 and (3) maintenance, repair, and operation of aircraft
10 factory, air stations, and so forth, from "\$800,374,950"
11 to "\$627,884,450".

12 Marine Corps:

13 General expenses, Marine Corps:

14 Fiscal year 1944, \$10,000,000.

15 Fiscal year 1945, \$10,000,000.

16 Increase and replacement of naval vessels:

17 Increase and replacement of naval vessels, construc-
18 tion and machinery, \$602,491,000.

19 Increase and replacement of naval vessels, armor,
20 armament and ammunition, \$338,848,000.

21 Increase and replacement of naval vessels, emer-
22 gency construction, \$20,387,000.

23 Repair facilities, Navy:

24 Repair facilities, Navy, \$18,281,000.

1 Coast Guard:

2 Pay and allowances, Coast Guard:

3 Fiscal year 1944, \$11,816,086.

4 Fiscal year 1945, \$5,940,838.

5 Fiscal year 1946, \$7,000,000.

6 General expenses, Coast Guard:

7 Fiscal year 1944, \$136,250.

8 Fiscal year 1945, \$48,286.

9 Fiscal year 1946, \$1,500,000.

10 Retired pay, former Lighthouse Service, Coast Guard,
11 1946, \$41,000.

12 Salaries, Merchant Marine Inspection, Coast Guard,
13 1945, \$5,985.

14 NAVY DEPARTMENT

15 Salaries:

16 Salaries, Compensation Board, 1944, \$109.

17 Salaries, Bureau of Naval Personnel, 1945, \$577.

18 Salaries, Hydrographic Office:

19 Fiscal year 1944, \$65,119.

20 Fiscal year 1945, \$30,461.

21 Salaries, Bureau of Ships, 1945, \$7.

22 Salaries, Bureau of Supplies and Accounts, 1945,
23 \$33,299.

24 Salaries, Bureau of Yards and Docks, 1945, \$153.

1 Contingent expenses:

2 Contingent expenses, Navy Department, 1945,
3 \$106,000.

4 The amount which may be transferred to this appro-
5 priation from other appropriations contained in the Naval
6 Appropriation Act, 1946, is hereby decreased from "\$5,500,-
7 000" to "\$4,000,000".

8 Printing and binding, Navy Department, 1945,
9 \$2,118,500.

10 The amount which may be transferred to this appro-
11 priation from other appropriations contained in the Naval
12 Appropriation Act, 1946, is hereby decreased from "\$18,-
13 500,000" to "\$8,500,000".

14 Contingent and miscellaneous expenses, Hydrographic
15 Office:

16 Fiscal year 1945, \$52,000.

17 Fiscal year 1946, \$600,000.

18 TRANSFER OF APPROPRIATIONS

19 Transfers of the amounts hereinafter set forth shall be
20 made from the appropriation "Aviation, Navy, 1946," to
21 the following appropriations:

22 Navy War College, 1946, \$37,000;

23 Naval Training Station, Newport, 1946, \$907,-
24 000;

25 Pay, Naval Academy, 1946, \$159,000;

1 Naval Home, 1946, \$12,640;
2 Pay, subsistence and transportation, 1943, \$4,500,-
3 000;
4 Maintenance, Bureau of Supplies and Accounts,
5 1943, \$350,000;
6 Maintenance, Bureau of Supplies and Accounts,
7 1945, \$29,364,000;
8 Fuel and transportation, Navy, 1944, \$1,415,000;
9 Civilian employees, Coast Guard, 1946, \$395,000;
10 Salaries, Merchant Marine Inspection, 1946,
11 \$72,000;
12 In all, \$37,211,640.

13 NAVAL STOCK ACCOUNT AND FUND

14 Effective April 1, 1946, the limitation, specified in the
15 First Supplemental National Defense Appropriation Act of
16 1944, on the value of stock in the "Naval Stock Account"
17 plus outstanding obligations under the "Naval Stock Fund"
18 shall be reduced from \$2,250,000,000 to \$1,650,000,000
19 and thereafter said stock and obligations shall not exceed at
20 any time said latter amount.

21 In all, title III, \$3,166,992,924.

22 GENERAL PROVISION

23 The War and Navy Departments are hereby relieved
24 from reimbursing each other from the appropriations of the
25 "Military Establishment" and the appropriations of the

1 “Navy Department and the Naval Service” for the amounts
2 which on the date of this act may be owing by either
3 Department to the other (exclusive of working fund ac-
4 counts) for materials, supplies, equipment, or services fur-
5 nished to either of said departments by the other, prior to
6 September 1, 1945. The department furnishing such mate-
7 rials, supplies, equipment, and services shall be responsible
8 for the expenses arising in connection with the termination
9 of contracts or settlement of the accounts in connection
10 therewith.

11 SEC. 301. This Act may be cited as the “Second Sup-
12 plemental Surplus Appropriation Rescission Act, 1946”.

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79TH CONGRESS
2^D SESSION

H. R. 5604

[Report No. 1671]

A BILL

Reducing or further reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

By Mr. CANNON of Missouri

FEBRUARY 27, 1946

Referred to the Committee on Appropriations

FEBRUARY 27, 1946

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section

79th-2nd, No. 44

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued March 14, 1946, for actions of Wednesday, March 13, 1946)

(For staff of the Department only)

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HIGHLIGHTS: House agreed to conference report on urgent deficiency appropriation bill Compromised at \$1,600,000 for OPA and \$1,500,000 for CPA. REA loan authorization not in disagreement. House passed appropriation rescissions bill. Includes \$5,000,000 rescission in emergency supplies for Territories and possessions. Rep. Flannagan introduced bill to provide for two additional Assistant Secretaries of Agriculture.

SENATE

NOT IN SESSION. Next meeting Thurs. Mar. 13.

HOUSE

1. URGENT DEFICIENCY APPROPRIATION BILL, 1946. Agreed to the conference report on this bill, H.R. 5458 (pp. 2244-6). The conferees agreed on an appropriation for OPA of \$1,600,000 and for CPA \$1,500,000. The REA loan authorization of \$100,000,000 was not in disagreement. The Senate has not yet acted on the conference report.
2. APPROPRIATION RESCISSIONS. Passed with amendments the second supplemental surplus appropriation rescissions bill, H.R. 5604 (pp. 2246-64). Agreed to Committee amendments by Rep. Cannon, Mo., to strike out rescissions on appropriations for FWA for the construction of public buildings in and outside D. C. (p. 2259).
Rejected, 148-171, an amendment by Rep. Taber, N.Y., previously agreed to in the Committee of the Whole, to increase the rescission on lend-lease by \$200,000,000 (pp. 2259-64).
During the discussion Rep. Cannon, Mo., explained the significance of the rescissions being made (pp. 2246-7).
Rep. Taber, N.Y., criticized the lend-lease operations (pp. 2248, 2259-60).
Rep. Celler, N.Y., proposed that our assistance to Great Britain be extended in goods rather than money (pp. 2249-50).
3. ECONOMY. Rep. Rich, Pa., urged economy in the Government to reduce the national debt (p. 2242).

4. LOBBYISTS. Reps. Hoffman, Mich., Dirksen, Ill., Savage, Wash., and Sabath, Ill., spoke in favor of an investigation of lobbying and lobbyists (pp. 2243-4).
5. ALASKAN HIGHWAY. The Roads Committee submitted an interim report on the Alaskan Highway (H. Rept. 1705) (p. 2266).
6. HOUSING. The Rules Committee reported a resolution for the consideration of H.R. 5455, to amend the Defense Housing Act, 1940, so as to authorize the appropriation of funds necessary to provide an additional 100,000 temporary housing units for distressed families of servicemen and veterans (p. 2266).
7. FOOD PRODUCTION. Received a Wis. Holstein-Friesian Assn. petition urging the continuance of maximum production of food (p. 2267).
8. PRICE CONTROL. Received a Wis. Broadcast Engineers' resolution favoring action to abolish all laws and regulations dealing with prices, wages, and production (p. 2267).
9. FORESTRY. Received a Racine (Wis.) Garden Club application for forest research center in Wis. (p. 2267).
10. LEGISLATIVE PROGRAM. Majority Leader McCormack announced that H.R. 2501, to slow up the liquidation of projects, would not be brought up tomorrow, but that the House would consider H.R. 5455, to provide temporary housing, and H.R. 4512, amending the Public Health Service Act (p. 2265).

BILLS INTRODUCED

11. LOBBYISTS. H.Res. 557, by Rep. Sabath, Ill., to create a special committee to investigate legislative lobbies. To Rules Committee. (p. 2240, March 12.)
12. ASSISTANT SECRETARIES. H.R. 5757, by Rep. Flannagan, Va., to establish two additional offices of Assistant Secretaries of Agriculture. To Agriculture Committee. (p. 2266.)
13. TERMINATION OF WAR. H.Con.Res. 132 and 133, by Reps. Robertson, N.Dak., and Schwabe, Okla., to declare Dec. 7, 1945, as the date of the cessation of hostilities in, and as the date of the termination of, the present war. To Judiciary Committee. (pp. 2266-7.)

ITEMS IN APPENDIX

14. PRICE CONTROL. Rep. Barry, N.Y., inserted Mayor William O'Dwyer's (N.Y.) testimony before the House Banking and Currency Committee urging the extension of price control (pp. A1387-9).
Rep. White, Ida., inserted Ludwig von Mises' (Austria) treatise on inflation and price control (pp. A1399-1401).
Rep. Schwabe, Okla., inserted a manufacturer's letter discussing "what the OPA has done, is doing, and will do" (pp. A1407-8).
15. SCHOOL-LUNCH PROGRAM. Rep. Doyle, Calif., inserted Mr. Davidson's (Calif. State Director, Field Service Branch) letter reporting the shortage of school lunch funds for Calif. (p. A1389).
16. SURPLUS PROPERTY. Rep. Hill, Colo., inserted a Greeley, Colo. American Legion

Mr. CANNON of Missouri. Without any variation whatever.

Mr. RANKIN. I want to commend the gentleman from Missouri [Mr. CANNON] for his support of this provision. He has rendered a great service to the farmers of the Nation by thus enabling them to electrify their homes. He deserves the gratitude of every farmer in America.

Mr. CANNON of Missouri. Mr. Speaker, I note in the newspapers a statement recently issued, and widely publicized which 16 Members of the House and Senate signed, urging that the Federal budget for the period July 1, 1947, to June 30, 1948, be balanced.

It is a consummation devoutly to be wished. But the inference is that nobody else in the House or Senate favors balancing the budget. You know there are two things essential to balancing the budget. First, we must have sufficient taxes to bring in national revenue to run the Government and reduce the national debt. Second, after we have levied taxes and have collected the revenue economy must be exercised in making appropriations. If you will look over this list of signers you will notice that almost without exception they voted the last time we had a tax-reduction bill before Congress to reduce taxes.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. PATMAN. Will the gentleman state how they voted on the Ruml plan? You know that remitted \$6,500,000,000 right in the middle of the year.

Mr. CANNON of Missouri. And practically all of them voted likewise to remit the \$6,500,000,000. What a help that \$6,500,000,000 would have been toward balancing the budget. Then I noted that when the Committee on Appropriations, in one of the most notable efforts it has made at this session to hold down appropriations, opposed the rivers and harbors and flood-control features of the first deficiency bill, 1946, on the amendment that a large number of these gentlemen who signed this statement voted against economy, voted to spend the money.

May I call attention to the fact, Mr. Speaker, that we are not going to balance the budget by getting out newspaper statements. If we propose to balance the budget, we must balance it by levying taxes and by voting against expenditures; and I earnestly recommend to every Member of the House to reflect on these facts when moved to give out a statement which leaves the inference that the Committee on Appropriations has failed to exercise economy when as a matter of fact it has exercised a greater measure of economy than any appropriations committee under similar circumstances in a similar period of the history of the United States.

May I also in this connection call attention to another measure now pending in one of the legislative committees. In order to balance the Budget, it is advisable not to wait until the authorizations come to the Appropriations Committee but to take time by the forelock and appear in opposition when the au-

thorization bill is before the legislative committees. That is where the trouble starts. After the legislative committee authorizes an appropriation, those in interest come before the Appropriations Committee and tell us we have no right to deny or circumscribe or curtail the appropriation because the authorization is a mandate from the House which makes it imperative that the Appropriations Committee report out an appropriation.

So, Mr. Speaker, Members who are interested in balancing the budget should go back to the source of the matter and when these propositions to spend large amounts of money are before legislative committees appear before the committees and take a stand for economy there where such a stand will really prove effective.

For example there is now pending before the Committee on Interstate and Foreign Commerce a bill under which the Federal Government will contribute to the States to build hospitals.

Mr. Speaker, no more worthy project could be brought before the country today than the building of hospitals. There is no more appealing subject; we need them all over the country. But the question before us is whether they should be built by the local government, by the States; by the counties or by the municipalities, or whether they should be built wholly or in part by the Federal Government.

This bill carries in it the potentiality for a draft upon the Public Treasury, so vast that it cannot now be fully foreseen. There are over 3,000 counties in the United States. A large number of them are now waiting for the Federal Government to provide the money with which to build a county hospital. There are cities all over the United States that now need new or expanded hospital facilities and which are waiting for the Federal Government to provide all or a part of the money to build them. In fact, there is the general impression throughout the United States that the Government is going back to the old WPA days of furnishing unlimited money to provide hospitals and other local facilities of every type. Of course, this has nothing to do with the provision of veterans hospitals which are being built by the Government at every strategic location.

I am heartily in favor of these hospitals, I favor providing these facilities wherever needed—but at local expense. The Federal Government is heavily in debt while practically every State in the Union is debt free and with a record-breaking surplus in its treasury.

The Federal Government is without means of providing money for every county and city that needs a hospital unless it postpones indefinitely the payment of the national debt and is willing to borrow more money and finance these facilities by deficit expenditures. While we should do everything to encourage such building by providing money to make surveys to be repaid when construction starts, the economy-minded Members of the House should appear before the legislative committee and protest further deficit spending by the Federal Government. There is no other

certain way of balancing the budget and avoiding inflation.

It might be noted some of these counties are asking the Federal Government not only to build the hospital but to maintain it. I ask the Members of the House, what would be the situation on the floor here if after the Federal Government has built these hospitals, and there are anywhere from one to a dozen in every congressional district in the United States, they came in here asking money for maintenance. Why, Mr. Speaker, the Treasury would not have a chance. As bottomless as some people seem to believe the Federal Treasury to be, it would be unable to supply even a small part of the amount required for that purpose.

So, Mr. Speaker, permit me to again remind the gentlemen of the Congress that the budget cannot be balanced by releasing statements to the newspapers. It can only be balanced by voting for taxes and against expenditures.

Mr. Speaker, I now yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I shall not oppose this particular conference report because it represents a compromise, and the amounts involved are not large enough to justify putting up a fight. However, there is an item in here for the OPA, and I want to call attention to that for just a moment. They came up here with a Budget estimate for an additional \$1,854,000. This conference report carries \$1,600,000. It involves a build-up on their part of a total of probably 1,500 to 2,000 employees. I hope the management of the OPA will pay some heed to some of the things that have been called to their attention.

They are operating a so-called information or propaganda service all over the country which is serving no useful purpose. It is not persuading the people to comply with the regulations with reference to the Office of Price Administration, but it is persuading the people that the OPA operation of that service is totally incompetent, because they are sending out the most foolish and ridiculous things.

We all understand that the real block in the housing program is in the OPA, in their regulations; regulations which have not been given consideration by any competent person. For instance, for 6 months following the war they had a regulation in effect which the lumber manufacturers tried to eliminate which required a large percentage of the lumber produced by the mills to be deck flooring for ships, for which there was no demand after the 1st of September last, and a very large percentage for things connected with ammunition, and there was no demand for that after the 1st of September. But it took the OPA 6 months, to the 1st day of March, to get out any amendment to the order, and there still are many things that need to be done to the order. As the result of that negligence and lack of ordinary common horse sense on the part of the OPA, a great many of the lumber mills were obliged to reduce their production, and that is one of the principal reasons

why the housing program has been slowed up as badly as it is.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. SPRINGER. I was interested in hearing what the gentleman had to say about the OPA. On the question of rent control, I had a case which came to my attention from a person residing in the congressional district which I have the honor to represent, in which this person had bought a piece of property. Under the law, the rental term between the tenant and the previous owner was a renting from month to month, which under the State law of Indiana, would require 30 days' notice to terminate it. However, the OPA and the Rent Control Division refused to permit the person who purchased the property from making any attempt to secure possession under the specific provisions of our State law. Finally, however, the OPA gave the authority to this man, who had purchased the property, which he would under ordinary conditions, under the law, be entitled to receive the possession after giving a 30-day notice, stating that he could proceed to get possession of the property in 6 months and not before that time.

Mr. TABER. That is one of their regulations, and that has done a great deal to keep property vacant which otherwise would have been rented.

Perhaps one of the worst things they have done is to fail to give any consideration of an intelligent character to applications of those who are rebuilding houses for rental as apartments, that would justify the people who own the buildings in fixing them up. That has been a very serious handicap to the housing of our people. There has been in that, as in almost every feature of the OPA, an absolute failure to exercise any common sense. They have felt that instead of exercising common sense and trying to keep things going they should spend their money on foolish propaganda, which simply disgusts and revolts the public and creates a sentiment against the OPA. I am hopeful that when they get through now they will turn over a new leaf and behave themselves.

Mr. SPRINGER. In the particular case to which I called the attention of the distinguished gentleman from New York, the OPA, by its regulations, superseded the laws of the State of Indiana.

Mr. TABER. They have done that all over the country. I hope the OPA will take a lesson from the discussion that has gone on and will try to do a decent job on the things that come before them hereafter and clean up those regulations that need cleaning up with reference to lumber, so that there may be some progress made by our people in the construction and rehabilitation of homes in order that the housing of our people can go on. Today the OPA and Federal regulations are the chief handicap to the construction of houses. I hope that we can have an end to the attempts on the part of OPA to thwart housing throughout the country.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

(Mr. MILLER of Nebraska asked and was given permission to revise and extend his remarks.)

Mr. MILLER of Nebraska. Mr. Speaker, it was my hope that the conference report on the urgent deficiency appropriation bill would follow very much the lines adopted in the Senate. They did cut down the amount of money that was being appropriated to the OPA.

I think these war-born agencies, of which the OPA is one, conceived, born, and dedicated as war agencies, were needed during the war, but I question very much that we need to continue them and some of the methods they have adopted since the war is over.

The OPA by their own confession and their own testimony before the committee last year said they were trying to control prices on some 8,000,000 different items in this country. I submit to you that that is ridiculous. I think recently they have taken price ceilings off bird cages, teething rings, and manhole covers. I find that they are continuing price ceilings on the pictures taken of hula-hula girls in Hawaii. That is actually still one of their regulations. I submit to the House that such regulations are ridiculous.

I think we need price control upon only the essential items of living, but I am convinced that the regulation of food could be transferred to the Department of Agriculture, where it belongs, and I think rent control ought to be transferred to the Federal Housing Agency or to the States. That is where they belong. Then the OPA with its un-American gestapo methods could fold up and quit. This country will never get rid of its growing bureaucratic government unless we end some of these war-born agencies. During the war we needed some brakes and restrictions but the OPA should be nearing the end of its existence. If appropriations are continued they will never quit. It was a war-born agency and was needed during the war. If you think the OPA is keeping down prices and helping the consumer you should look at the exhibit in room 221 of the Old House Office Building. You will see how the OPA has shoved off the market the good, standard products and in their place has permitted the market to be flooded with cheap, imitation, shoddy goods, which are costing the consumer a great deal. This is another way of concealing inflation.

I presume the House must go along on the conference report, but I do think that with the new approach to the problem of prices in this country we ought to give serious consideration to the transferring of all control of food to the Department of Agriculture and the control of rents to the Federal Housing Agency or the States and let OPA become a memory as is the dodo bird. Certainly there is no longer any necessity of their trying to control some 8,000,000 separate items of living.

Mr. CANNON of Missouri. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. GALLAGHER].

Mr. GALLAGHER. Mr. Speaker, I would like to ask a few questions of the Members of the House: What increase in prices do the Members who are fighting the OPA want on lumber? What

increase in price do they want on vacant land? What increase in price do they want on, let us say, farm machinery and other things? These are questions that I would like to ask those who are fighting the OPA.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. GALLAGHER. I yield.

Mr. HOFFMAN. On farm machinery, we would like to have a price that is great enough so that the people who are making the machinery will go ahead and make it so the farmers can buy it. Can you figure that one out? You cannot?

Mr. GALLAGHER. No; I cannot.

Mr. HOFFMAN. On food, we would like to have a price that is great enough so the farmers can afford to produce it. You cannot get that one either? On lumber, the same thing, as the gentleman suggests. In other words, we would like to be able to buy this stuff instead of having it crowded off the market by price regulations.

Mr. GALLAGHER. In other words, the people who are striking against OPA want inflated prices?

Mr. HOFFMAN. Well, wage increases are being given. They want an increase in wages, and why should not the producers get an increase in what is produced as a result of that increased labor cost?

Mr. GALLAGHER. The producers got a decrease in taxes.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to. A motion to reconsider was laid on the table.

SECOND SURPLUS SUPPLEMENTAL RESCISSION ACT, 1946

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes; and pending that motion, I ask unanimous consent that debate be limited not to exceed 3 hours, half of the time to be controlled by the gentleman from New York and the other half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5604, with Mr. JARMAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, for the fourth time the committee is presenting a measure for reducing obligatory availability under wartime-granted appropriations and contractual authorizations. We expect to present another and final one, perhaps, before the fiscal year ends.

This measure rescinds \$6,635,700,168 of cash and \$468,673,001 of contractual authorizations. Added to those which have gone before, we get a total of cash rescissions of \$57,407,562,040 and of contractual authorizations of \$5,246,046,297, or a combined total of \$62,653,608,332.

The showing is a very creditable one and a very meaningful one. We of the Congress, however, cannot take all of the credit, although we were the instigators of the *modus operandi*. The Bureau of the Budget has contributed in a large way and I wish to add that there is great credit due all members on the committee who have aided and cooperated in the formulation of the several measures that have been presented.

The importance of these measures has assumed a new significance, which makes it of paramount importance that there be another bill presented for your consideration before the fiscal year ends. In his Budget message following the opening of this session, the President's prediction of the aggregate of expenditures for the fiscal year 1947 came as a great surprise to all who were at all conversant with the war organization and with the colossal task of demobilization. The amount forecast roundly was \$35,800,000,000, a drop of something more than \$100,000,000,000 from 1945, and over sixty-seven and one-fourth billion dollars from the present fiscal year ending next June 30. It was both a surprising and heartening prediction. If realized, the difference between receipts and expenditures in the fiscal year 1947 will be narrowed to \$4,347,000,000, which, if we can ward off a new spending orgy, should certainly make possible a balanced budget 1 year later. If we do that well, a most commendable and remarkable job will have been accomplished.

There are some people, including Members of the Congress, who entertain the view, how seriously I do not know, that the budget balancing should occur in the 1947 fiscal year; that the predicted excess of \$4,347,000,000 should and can be avoided. I want to say to those people that we shall do well—very well, if we can succeed in canceling a sufficient amount of existing obligations, which, if not canceled, will entail large expenditures in the fiscal year 1947, and thereby occasion a deficit—not of four-billion-dollars-plus, but of several billion dollars more.

That is the primary job right now of those who seriously wish to see the budget balanced, and it is the job on which the Committee on Appropriations intends to work with great zeal and determination. In our examination of the submission which formed the basis of the measure under consideration—House Document 394—we found, as to the Army and Navy, expenditure and obligation totals way and beyond sums which could be absorbed by the projected expenditure totals for such services constituting a part of the over-all expenditure programs for the fiscal years 1946 and 1947, upon the realization of which budget balancing in the fiscal year commencing July 1, 1947, depends.

Unless such obligations are very materially reduced, the President's predictions will prove to be wide of the mark.

That is the new significance of the work we are doing in rescinding funds and authorizations. We are keeping in touch with the situation, and the Bureau of the Budget is giving it the closest possible attention. By early June we hope to be in a position to report success. I wish to emphasize that that is the major job right now in budget balancing or in striving for a balanced budget.

The Committee on Appropriations is as much concerned and interested as regards budget balancing as anyone possibly could be and is open to suggestions and counsel from all responsible sources. I further wish to say to the 16 Members of the Congress who, according to the press, issued a general statement on the 3rd of this month that they believed the 1947 Federal Budget should be balanced and that it could be done, that if they will submit detailed recommendations to the Committee on Appropriations as to reductions which they consider to be appropriate and practicable, the committee will proceed to consider them without delay.

It is very easy to give out such a statement. It is very highly questionable whether such a statement should be given without support beyond opinions.

More is involved than the appropriations that are made during this fiscal year for expenditure in the fiscal year 1947 to bring about budget balancing. The big problem is to bring about a reduction in the expenditures during the next fiscal year, 1947, that will flow from obligations incurred in the present fiscal year and in prior fiscal years. The armed services still have prodigious unliquidated obligations, and unless they are canceled on a very large scale and early enough to make cancellation monetarily worth while, budget balancing in 1947, in my judgment, simply is idle talk.

The committee has a dual job on its hands. One is to hold the new appropriations it proposes down to the lowest practicable levels, and the other is, through the rescissory course, to cancel every existing contract for war material not now justifiable, and every dollar of existing obligationable availability to the extent practicable. Neither can be done by using meat-ax methods. There are many considerations which require a studied course, and among them, I might say, would be potential opposition for one reason or another on this floor. But if you will give us your wholehearted support, I can assure you that the committee will bring about a balanced budget at the earliest practicable moment.

As regards cutting appropriations ad lib., I hope the time will never come when the Committee on Appropriations will conduct its work by such a rule. It has been the custom, and I hope will continue so, for the committee carefully to canvass all estimates of appropriations which come to it for consideration. We weigh the merits of all estimates and appraise them both from the standpoint of the worth of the items themselves and whether or not such worth justifies a charge upon the Federal Treasury. In other words, whether we can afford it. No other course is tenable.

Reverting to the bill before us, Mr. Chairman, it is covered quite adequately

by the report, which has been available to the membership for several days. The committee has added to the amount proposed for rescission by the President a total of \$932,865,686 of cash and contractual authorization, but very largely cash. When the bill is being read for amendment I shall propose committee amendments which will raise such added amount to more than a billion dollars.

I yield to the gentleman from New York [Mr. TABER].

[Mr. CANNON of Missouri addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. HOFFMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 53]

Allen, Ill.	Gardner	Pfeifer
Almond	Gavin	Pickett
Andresen,	Gibson	Poage
August H.	Gorski	Powell
Arends	Gossett	Price, Fla.
Bailey	Halleck	Quinn, N. Y.
Baldwin, Md.	Hand	Rabin
Baldwin, N. Y.	Hart	Rains
Beckworth	Hoch	Rich
Bland	Holmes, Mass.	Rizley
Bloom	Johnson,	Robertson,
Bonner	Luther A.	N. Dak.
Boykin	Johnson,	Robinson, Utah
Bradley, Mich.	Lyndon B.	Rogers, N. Y.
Buckley	Keefe	Russell
Bulwinkle	Kelley, Pa.	Schwabe, Mo.
Burgin	Kilburn	Shafer
Byrne, N. Y.	Kilday	Sheridan
Camp	Knutson	Slaughter
Case, S. Dak.	LaFollette	Sparkman
Chapman	Lea	Starkey
Chelf	Lesinski	Stockman
Coffee	Luce	Sumner, Ill.
Cooley	Lyle	Summers, Tex.
Cox	Lynch	Talbot
Curley	McGlinchey	Taylor
Dawson	McKenzie	Thomason
Delaney,	Mahon	Weaver
John J.	Mansfield, Tex.	West
Douglas, Calif.	Miller, Nebr.	White
Fallon	Neely	Wilson
Fisher	Norton	Wood
Flannagan	Patman	Woodhouse
Folger	Patrick	
Fuller	Peterson, Ga.	

Accordingly, the committee rose; and the Speaker pro tempore, Mr. GORE, having resumed the chair, Mr. JARMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 5604, and finding itself without a quorum, he had directed the roll to be called, when 326 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER pro tempore. The Committee will resume its sitting.

The Committee resumed its sitting.

[Mr. CANNON of Missouri addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. CANNON of Missouri asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. TABER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, there is involved in this bill a rescission of \$7,112,230,059 as

it comes from the committee. Committee amendments will be offered, I expect, increasing the amount somewhere around \$70,000,000, so that the total amount of the rescission should be approximately a billion dollars above the estimate that came from the President. Part of that has been due to action by the committee and part of it has been due to more recent figures submitted by representatives of the Government. The total rescissions over all probably run with this one close to \$70,000,000,000. Most of them that are brought in here today come in with the unanimous report of the committee.

There is one situation that I feel I should call particular attention to, and that is the item for defense aid or lend-lease. There the unexpended balance on January 1 was \$4,400,000,000. The obligations on that date were \$3,009,000,000. The difference involved was practically \$1,400,000,000. The recommendation for a saving was \$850,000,000. They claim they are going to save out of recoveries on cancellation of contracts approximately \$100,000,000, and to spend, from a December 1 figure, on additional obligations, \$727,000,000. That figure undoubtedly will be reduced as of the first of January and much farther as of today. There was only one thing that they needed to obligate funds for. Frankly, if they did no worse, obligated no more for the rest of the year, and if they changed their picture no more in the rest of the year than they did in December, there should be at least \$205,000,000 left when they get through besides this money that we are taking away; in other words, they paid out \$527,000,000 in the month of December and they reduced the obligations by \$440,000,000, indicating that other obligations ran at the rate of \$87,000,000 a month. Six times that is \$522,000,000, and that, subtracted from the \$727,000,000, would leave \$205,000,000 in addition to that which has been estimated here that should be recovered. I can see no possible excuse for not taking that money back, and I can see no reason under any circumstances why that should not be done.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. CARLSON. Can the gentleman give the Committee any information as to whether or not we are furnishing lend-lease material and supplies to Russia at the present time? Was that discussed in the committee in any way?

Mr. TABER. At my request there was furnished to the committee a table which I will place in the RECORD at this point. If the gentleman would like, I will show him a copy of it so that he can follow it. This indicates that down through the 31st of January there had been a pipe line set up. I understand that was set up as of the date of the close of the war, when we made certain contracts for the sale of certain things to some of these other countries. There was in the pipe line \$280,000,000 for Russia, and of that as of the 31st of January 1946, \$100,000,000 had been delivered. How much has been delivered

since I do not have any means of knowing. I do know that as to these other countries I would make no comment on what was delivered to them because mostly it would be agricultural products and items that their economy might perhaps require in very considerable amounts.

Mr. CARLSON. If I understand the gentleman's statement correctly, then, \$280,000,000 was set up for the fiscal year, and as of January 31, 1946, \$100,000,000 had been delivered?

Mr. TABER. I understand that deliveries are still going on. I cannot answer that as of this date, but as of the date when we held our hearings they were still going on, and that was about the 31st of January.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. COLE of New York. What effect, if any, does this rescission bill have on closing the valve on that pipe line?

Mr. TABER. It does not affect it at all as it is presently written.

Mr. COLE of New York. Does the gentleman's committee have any recommendations to make on that point?

Mr. TABER. The committee has made no recommendations on that. It has authority only to make or reduce appropriations.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself 10 additional minutes.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Missouri.

Mr. SHORT. I have been under the impression that lend-lease legislation was wartime legislation, and that the law specifically stated that lend-lease would automatically stop with the cessation of hostilities. Is not that the case?

Mr. TABER. I think probably that is the way most people suppose it was. We seem to be going on delivering things now.

Mr. SHORT. By the time VJ-day arrived we had given to Britain in lend-lease approximately \$29,000,000,000 worth of goods and services and to Russia approximately \$10,800,000,000, making a total of approximately \$40,000,000,000 in lend-lease that we furnished to our two chief allies. I should like to know how much of lend-lease has been given not only to those two chief allies but to other allies since the cessation of hostilities or the surrender of Japan VJ-day.

Mr. TABER. I understand that altogether, including this pipe-line set-up, there has been delivered to Great Britain about \$630,000,000 of different items. The item that is set up in the pipe line for Russia is \$280,000,000, of which \$100,000,000 had been delivered as of January 31. But millions of dollars in merchandise has been purchased by lend-lease since September 1 last.

Mr. SHORT. Who sets up these pipe lines? On what authority are they established?

Mr. TABER. These pipe lines were supposed to have been set up prior to the

end of hostilities, as I understand; that is, the inventories existed in the Agricultural Department and the Procurement Division, either by inventories they had on hand or by merchandise they had purchased prior to the cessation of hostilities. They have continued to ship them right along. Frankly, I am not going to criticize what has been shipped to these other countries, but I believe we are missing the boat in our own State Department at the present time. It seems to me it is the duty of the State Department at this time to indicate to these other countries that we must have a conclusion of peace and have it immediately and have a definite understanding as to what is to be done; and that the longer we wait and the more we hand out to other countries without a definite understanding of what is to be done the more we are inviting other countries to create situations which will not result in ultimate peace.

Mr. SHORT. And if it continues much longer, we will not even have a boat to miss.

Mr. TABER. Perhaps that is so.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. COLE of New York. The gentleman probably remembers that last fall after the cessation of hostilities, the President abruptly announced that lend-lease assistance would be immediately terminated, which caused a good bit of discussion and dismay among many of our allies. From what the gentleman tells us today, that announcement of the President has not been observed, and as a matter of fact lend-lease assistance has continued since the cessation of hostilities.

Mr. TABER. I believe perhaps I should read this memorandum which I have before me and which was furnished to the committee in response to my question as to just what the picture is so that the Congress may know it.

Mr. COLE of New York. I hope that in giving that information the gentleman will not only tell us what is actually being done but the justification for it.

Mr. TABER. I cannot give the justification for it. I can tell what is being done insofar as I have been able to get the figures. Frankly, I do not think their operations are in good shape. I know of many cases where they have purchased things for enormous prices through the Procurement Division and I cannot understand why such things should be bought, such as, for example, thousands and thousands of garden tools and hand trowels and thousands and thousands of hand chisels and such things as that.

Mr. SHORT. The gentleman realizes that the American farmer is finding it very difficult to acquire any kind of equipment or machinery today.

Mr. TABER. Of course, the warehouses of the Procurement Division are bulging with these things right now.

May I now read from this memorandum and give this picture so the Members of the House may have it:

Estimated pipe line of goods in United States and deliveries up to Jan. 31, 1946

[Dollar cost FAS]

	Total pipe line	Estimated deliveries Jan. 31, 1946
United Kingdom and colonies (excluding Ceylon).....	\$325,853,070	\$211,804,495
Australia.....	16,248,000	12,000,000
New Zealand.....	2,062,500	2,062,500
India and Ceylon.....	2,247,480	1,900,000
Saudi Arabia ¹	9,558,960	5,878,969
Union of Soviet Socialist Republics.....	280,000,000	100,000,000
American Republics.....	24,500,000	None
China.....	55,000,000	20,000,000
Metropolitan France.....	305,000,000	160,000,000
Belgium.....	52,000,000	22,000,000
Netherlands.....	62,000,000	41,000,000
Total.....	1,114,470,010	576,725,964

¹ Figures include inland and ocean freight charges.

² Including \$1,500,000 Treasury Procurement and \$3,000,000 to \$3,500,000 Army and Navy pipe line.

I understand that Great Britain has given us notes with interest at something like 2½ percent on the six-hundred-odd million that she has received from us. What the rest have done, I do not know. The British notes are due in 50 years.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. COLE of New York. Can the gentleman advise us the nature of the majority of the items that are now flowing or have been flowing through the pipe lines?

Mr. TABER. Yes, largely. Such items as I have indicated, agricultural products; that is, food of all kinds; wheat, cotton, meats, dried milk, butter, lard, pork and pork products, and all that sort of thing.

Mr. COLE of New York. How about implements of war?

Mr. TABER. Anything of that kind would be a salvage proposition out of their surplus.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MURRAY of Wisconsin. I was interested in what the gentleman said about food. Two or 3 weeks ago I noticed in the paper that the British had acquired through bulk purchase, pretty much all the food surplus of the world outside of the United States. I wrote a letter to the State Department and I have an answer from them confirming that newspaper article. I cannot understand why we would have to send food under lend-lease to the British at this time, because they have control not only of their own dominions but they have control of any other surplus food that happens to be in the world at the present time.

Mr. TABER. I would not know that, but I expect the gentleman is correct.

Mr. BREHM. That is what they are using the chisels for is it not?

Mr. TABER. Maybe.

Mr. SHORT. How many chisels.

Mr. TABER. Thousands and thousands.

Mr. SHORT. That makes this the age of chiselization.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. EDWIN ARTHUR HALL. The gentleman made an excellent point when he mentioned 2¾ percent interest that the British are supposed to be paying us. It seems to me, if I might express my opinion, that it is pretty unfair to allow Great Britain to pay a 2½ percent rate of interest when our own servicemen and veterans are having to pay at least 4 percent.

Mr. TABER. Well, there is something to be said on that subject.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. H. CARL ANDERSEN. Is there any evidence to the effect that much farm machinery is going abroad under that line at present?

Mr. TABER. I would not think there was very much going at the present time. A very considerable item of seed has already gone. For this reason a lot of those people will have no excuse for not producing as much as their land will permit. I believe also a very considerable quantity of tractors and other agricultural machinery—plows, drills, reapers, mowers, and things of that sort—have already gone, together with some fertilizer.

Mr. H. CARL ANDERSEN. Then, if the gentleman from New York will permit an interruption, that may explain why veterans who were formerly farmers in my district coming back now are unable to find any farm machinery whatever for themselves.

Mr. TABER. I do not know whether that is the only reason, but it is a part of the reason.

Mr. ANGELL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ANGELL. I wonder if that also includes building materials and lumber.

Mr. TABER. As far as I am able to see, the building materials and lumber products that have gone abroad since the 1st of September have been largely items that were sent over by the Army for its purposes, not big items for allocation to other countries—some, but not big items.

Mr. ANGELL. Does it also include grains and feed for stock?

Mr. TABER. There has been a considerable amount of that, more of wheat for human consumption than of wheat and other grains for stock feed. That is the picture as I get it.

I expect to offer an amendment, the one to which I referred, and I hope it will be adopted, and that we will add at least \$200,000,000 to the rescission.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CELLER].

THE BRITISH LOAN

Mr. CELLER. Mr. Chairman, some thing has been said about the British

loan and I want to submit an alternative to the British loan.

Objections to the British loan agreement have arisen on all sides. Even the conservative Wall Street Journal states:

The strongest argument for this loan is on a political basis, that it will strengthen Britain and that America needs a strong friend. We doubt that it will engender either strength or friendship.

Without extraordinary administrative pressure, I doubt whether the proposed loan agreement will be approved by Congress.

Perhaps there may be a way out of this dilemma.

By granting a loan to Britain for the whole of the British Empire, excluding only Canada and Newfoundland, and including such sovereign countries as Ireland, Iraq, Egypt, the Sudan, Iceland, and now probably Siam, as well as the mandates of Palestine, British Cameroons, Tanganyika, Transjordan, and other areas of the sterling area bloc pool, we place ourselves in the most ambiguous position of increasing dependence on Britain of sovereign countries and of extending the duration of the British mandates.

As an alternative, our assistance to Britain could be extended in goods and services, to be paid for in pounds sterling as delivered, the pounds sterling so produced to be placed to the credit of the United States Treasury in the United Kingdom. Trade should be thrown wide open. The British should be allowed to buy anything and everything they need and want for their own island economy.

A considerable body of opinion in England, including particularly retailers whose shelves are empty, read into the Anglo-American credit agreement a possibility that England would use her funds for the purchases of shoes, clothing, and household furnishings, of which England is in desperate need.

Such wishful thinking was quickly dashed by a spokesman for the British Board of Trade, who informed inquirers that the money would not be made available for the purchase of such consumer goods. He asserted that there will be no squandering of these funds for such luxuries and added: "The credits which Britain has established in the United States will be made available for the purchase of foodstuffs and for raw materials which can be manufactured into goods for export and for capital goods which can be used to increase the productivity of our factories."

This clearly indicates that the controls are not going to be eliminated in the near future, either in the United Kingdom or elsewhere within the sterling bloc. It makes equally clear that England, despite the loan, will continue her system of internal controls.

Remember, though, that Great Britain is in the hands of the Labor Party. According to the Socialist theory, you cannot have controls internally if you leave your citizens free to trade and invest externally without restraint. Therefore, the 100-percent Socialists in the government are opposed to the American loan and to all that the loan implies. They

want to regiment the British and to develop the sterling area as a closed bloc. This was recently pointed out in the Atlantic Report of the Atlantic Monthly for January. Foreign Minister Bevin was talked out of this Socialist external and internal control by Lord Keynes. It was said that after a conversation with Lord Keynes, Bevin said: "You have convinced me but I regret you have." Bevin's subsequent behavior conveys the impression that he is only half-convinced. How long will he remain even half-convinced?

However, with or without controls, Britain needs shoes, clothing, house furnishings, food, refrigerators, washing machines, textiles, and many other items of consumer and capital goods. Let us furnish her with them. The mechanics for so doing should be fairly simple. The British importers could buy directly from American producers and exporters as in the prewar period. The American exporter would quote in dollars and receive dollars when negotiating his drafts on the British buyer. In England, the buyer would pay to his bank the equivalent in pounds, which would be placed to the credit of the United States Treasury. The Treasury would reimburse an American bank in dollars for the benefit of the American exporter. Credits of all types could be opened with suitable modifications, as in the past. The pounds which we accumulate in Britain would be convertible, upon request, into any other sterling bloc area currency. This would entail double-column bookkeeping in the United Kingdom—one column to show dollars and another to show pounds sterling. In the agreement to be made, the British would undertake to increase the pound total in exact ratio to any devaluation in the value of the pound in relation to dollars. This would not mean reappraisal in the event of only slight fluctuations.

As to other sovereign governments, including the British Dominions and countries such as India and Egypt, we would deal with them directly after concluding an agreement with each one of them. Each agreement would stipulate that we will accept local currency in much the same manner as outlined above. These countries would likewise agree to double column bookkeeping and freedom to exchange our accumulations for the currency of any other sterling bloc country. Furthermore, we should be entitled to most favorable nation treatment in regard to customs duties by these countries. This would give us, as well as the individual buyers throughout the sterling bloc, entire freedom of selection. It would eliminate entirely government or state trading and, finally, it would put the burden of using foreign currencies on us, where it belongs.

If we insist on loaning dollars, the burden of repayment rests on the borrowing nation. The borrower can repay only by shipping goods, rendering services, or paying in gold. In the case of the loan to Great Britain, it seems clear that she could not discharge this obligation with sufficient shipments of goods, or services, or payments in gold.

By assuming the burden ourselves—we could probably stipulate that our future

tariff policy would tend toward reduction rather than increase in rates so as to facilitate the free movement of goods throughout the world.

The local currencies which we accumulate in sterling bloc countries would be used primarily in buying foreign products for shipment to the United States but in many countries, considerable sums should be used immediately to house our embassies, ministries, and consulates in suitable quarters. The manner in which the representatives of the wealthiest nation on earth are presently housed is a disgrace. This applies not only to the quarters for official business but to the official residences of our ambassadors, ministers, and consuls as well.

In addition, American entrepreneurs might be inclined to go abroad to help establish new industries, hydroelectric schemes, irrigation, housing, and construction projects. With millions of pounds lying to our credit in the United Kingdom, it is conceivable that an American syndicate might undertake the construction of the English Channel tunnel at long last. American construction companies might wish to help in the reconstruction of bombed-out areas in England and elsewhere.

By accepting local currency in sterling bloc countries, we are not loaning money; therefore, these countries are not assuming a debt in dollars which they might find it exceedingly difficult to repay. India and Egypt now have large sterling balances in London and would, therefore, be reluctant to take on another debt in a foreign currency but would certainly welcome the chance of buying our goods and paying in their own local currencies.

In making the loan to Britain, we profess a desire to aid in this very difficult postwar transition period, but present help in dollars is most certainly, going to pile up grief in the future when Britain may be unable to pay. We are putting all our eggs in one basket instead of innumerable baskets.

By granting a loan to Britain for the entire British Empire, we invite the Russians, the Dutch, the French, and the Belgians to do likewise, in spite of the fact that we have gone on record as desiring native peoples to become progressively more independent. The riots in Indochina and Java show a spirit of independence, and it should not be part of our foreign policy to refrain from active participation in quelling such riots and, at the same time, negotiate loans with the so-called mother countries, which funds would be in part, undoubtedly, used in these areas to smother independence movements.

At the present time and under the conditions of the pending loan agreement, despite Great Britain's protestations to the contrary, we agree to allow London to dictate what we shall sell to Australia, New Zealand, South Africa, India, Egypt, Iraq, and so forth. Sovereign peoples should be permitted full freedom of choice in a world of free enterprise. We stand firmly on that platform. Under the present loan agreement, there is no definite commitment on the part of Great Britain to

dissipate the sterling area bloc pool. There is only a promise to try and break it up. Furthermore, the restrictions against us, by virtue of the system of imperial preferences, are not even mentioned in the agreement.

Finally, the international situation is not nearly so well settled as one would have a right to expect. More than 6 months have passed since VJ-day. The statements of Russian leaders point to a huge military program. We are planning the largest Navy in our peacetime history. In view of the deterioration of international cooperation, the method of taking foreign currencies in exchange for our goods might be extended to include the purchase of strategic materials for stock-piling purposes. Such materials might well include jute, quinine, manganese, wool, chrome, rubber, vegetable oils, copper, tin, and so forth.

This stock piling would tend to support foreign markets and would eliminate the probabilities of large foreign currency accumulations. We would get tangible assets in goods for our dollars rather than mere promises to pay. Valuable good will would be created for us in each country.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, this bill carries in terms of rescinded appropriations and contract authorizations approximately \$7,112,000,000, bringing the total with other rescission bills to about \$62,653,000,000. The amount carried in this bill is about \$934,000,000 in excess of the rescissions recommended by the Bureau of the Budget.

The rescissions are allocated, first, to the Executive Office of the President, independent offices, and executive departments, in the amount of about \$2,234,000,000; second, to the War Department, in the amount of about \$1,616,000,000; and third, to the Navy Department, in the amount of about \$3,167,000,000.

Title I rescissions for the executive and independent offices are largely in respect to the Maritime Commission, the War Shipping Administration, and the Lend-Lease Administration, to which the gentleman from New York [Mr. TABER] has referred.

I agree with him that the presentation by the latter is not satisfactory. It appears that as of October 31 last there remained about \$3,400,000,000 of outstanding obligations, and the agency requested some \$727,885,000 for operation during the final 7 months of the fiscal year. The committee has increased the Budget rescission by about \$230,000,000.

I hope that in this bill and in the rescission bill to come further and substantial recoveries can be made in reference to Lend-Lease Administration.

Title II, referring to the War Department, brings total rescissions to about \$31,879,000,000, leaving about \$32,242,000,000 for fiscal year 1946 operations.

The War Department contemplates an over-all force as of July 1 next of 1,550,000, of which 794,000 will be over-

seas, 654,000 in the zone of the interior, 52,000 in the pipe lines, and 50,000 in the Philippine Scouts. It contemplates an air force of about 400,000 men in 70 groups, costing about one and three-quarters billion dollars annually.

Title III, referring to the Navy Department, brings the total rescissions to about \$17,537,000,000, leaving about \$21,470,000,000 for fiscal year 1946 operations.

The Navy Department contemplates as of July 1, 1946, an over-all force of about 1,000,000 men, with an air force of some 12,000 planes.

It may be also pointed out that the Coast Guard is contemplating an over-all force of 35,000 men as compared with 13,000 for the fiscal year 1940.

Mr. Chairman, we have today a gross public debt of something less than \$282,000,000,000, and a gross public debt plus contingent liabilities of some \$650,000,000,000.

This means an average per county of about \$94,000,000, if we take the gross public debt alone, or about \$216,000,000 if we include the contingent liabilities. It means an average per State of about \$587,500,000 if we take the gross public debt, alone, or about \$13,541,000,000 if we include the contingent liabilities.

The importance of these rescission bills cannot be overemphasized. Committee amendments will increase the rescissions in this bill if adopted by about \$82,000,000. It is hoped that further and substantial rescissions can be brought about in the next rescission bill.

In this connection, I want to point out, Mr. Chairman, that the budget figures presented to your committee just do not make sense. Anyone reading House Document 394, containing Bureau of the Budget figures, upon which the action in respect to this bill is based, would find expenditures for the Army in the present fiscal year of about \$37,000,000,000, and for the Navy of about \$27,500,000,000. Yet, the Budget itself indicates expenditure for the same year for the Army of only \$27,995,000,000, and for the Navy of only \$14,700,000,000.

I understand the difference has been partially reconciled but that there is still a discrepancy running into billions of dollars. It is to be hoped that these billions can be taken care of in connection with the next rescission bill.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from New York.

Mr. TABER. The Navy budget officer estimated an expenditure for this year of \$16,000,000,000 just the other day.

Mr. WIGGLESWORTH. Yes; and that is \$11,500,000,000 less than anyone would be led to assume was the correct figure from the Budget Bureau document supporting this bill.

Mr. TABER. That is right.

FEDERAL COMMUNICATIONS COMMISSION

Mr. WIGGLESWORTH. Now, Mr. Chairman, I want to speak briefly of the Federal Communications Commission, in the light of a verdict recently rendered by a jury in the city of New York in the amount of \$350,000.

Members of the committee will recall, long and well, I trust, the House select

committee of the Seventy-eighth Congress appointed to investigate and report on the transactions and activities of the Federal Communications Commission; how that committee, again and again, was thwarted in its efforts to gather pertinent information by Presidential and other administration edicts which gagged Army, Navy, and civilian personnel; how officials of the Government, past and present, including those of the Federal Communications Commission itself, repeatedly sought to and did block the committee in the discharge of the duties imposed upon it by the Congress; and how, administration pressure, together with resort by the majority members of the committee to postponements, executive sessions, and other unusual tactics, forced the resignation of two of the committee's counsel and prevented the public disclosure of important facts concerning the Commission's activities and the conduct of its officials and employees.

The House select committee did, however, accomplish some good in disclosing to the Congress and the public that the Federal Communications Commission in diverse ways, had shown favoritism to, and bestowed political rewards upon, persons and concerns high in administration favor; and that, by threats and intimidation in the field of radio station licensing and license renewals, the Commission had so operated as to dictate and control the content of radio programs, despite the fact that section 326 of the Federal Communications Act in the plainest of terms denies to the Commission all power of censorship over radio programs.

One of the most publicized matters brought to the attention of the House select committee was the sale of a Government-owned radio frequency, known as station WMCA, by Donald A. Flamm to Edward J. Noble.

It was shown to my entire satisfaction at least that, through pressure, brought presumably for the protection of certain administration favorites, including the well-known Thomas Gardner Corcoran—"Tommy, the Cork"—William J. Dempsey, and William C. Koplovitz, the select committee, acting by and through the majority of its members, first postponed hearings on the complaint of Flamm that he had been coerced into selling his station to Noble by improper representations by Noble and his attorneys, Dempsey and Koplovitz; and then directed, when the matter was finally heard by the committee, that the hearing be held behind closed doors, with the evidence adduced never being published either to the House or the public.

The majority of the committee, taking what I conceived to be a strained view of the testimony, reported no substantial irregularities in the sale of station WMCA to Noble by Flamm.

Among other things, the majority found—

That Mr. Flamm was under no pressure, coercion, or duress when he finally signed the contract for the sale of the station to Mr. Noble;

That it found nothing to censure in the conduct of Mr. Edward J. Noble; and

That the Federal Communications Commission cannot be charged with failure to investigate rumors of pressure on Flamm

when Flamm himself, or his attorneys, submitted nothing to the Federal Communications Commission to justify an inquiry.

I took occasion to file minority views on the subject, which were printed with the report of the committee.

Among other things, I stated that—

In my judgment, the Commission cannot escape condemnation for its conduct in this case. Either the Commission was guilty of gross negligence and failed to live up to the trust reposed in it or it was guilty of malfeasance in office.

And that—

I disagree most emphatically with the conclusions of the majority in this connection, shown to me for the first time 2 hours before the time limit for filing this report.

Under leave to extend my remarks, I insert at this point in the RECORD certain portions of those minority views:

On February 8 and 9, 1944, public hearings were commenced into the notorious circumstances surrounding the sale and transfer of radio station WMCA, New York. Startling testimony was presented, alleging conspiracy and coercion to deprive a station owner of his frequency by past and present officials of the New Deal.

On February 10 the hearings were necessarily postponed to the following week. In the following week they were abruptly terminated and indefinitely postponed by action of the majority members of the committee, one of whom had arrived by plane from the Aleutian Islands the day before the meeting. Neither minority member had any notice as to the purpose of the meeting. One minority member had no notice whatever of the meeting until after it had been held. Both minority members were absent at prearranged meetings of other committees.

The action taken served to suppress indefinitely alleged unsavory facts said to involve high administration officials and advisers, both past and present.

Action was deferred for approximately 8½ months when public hearings were resumed on November 22, 1944. They resulted in 3 more days of amazing testimony tending strongly to confirm the testimony of last February. Charged with having had parts in the alleged conspiracy were Edward J. Noble, William J. Dempsey, William C. Koplovitz, and Thomas G. Corcoran, all former officials under the New Deal, as well as members of the Federal Communications Commission. One witness went so far as to furnish, in detail, the facts of the alleged conspiracy, stating under oath that he had played a principal part in it from start to finish.

The following day, at a special meeting of the committee, and over the protest of the chairman and myself, the committee voted 3 to 2 to discontinue public hearings and to proceed behind closed doors, in executive sessions, with the understanding and agreement, assented to by the majority, that the testimony taken in executive sessions would later be made public.

No justification whatever, in my judgment, was shown for this action serving once again to suppress the truth and to withhold facts from the Congress and the people. The public interest is paramount. It transcends any private interests claimed to be involved in private litigation. As Congressman Miller, of Missouri, a minority member of this committee, stated on the floor of the House on March 7, 1944:

"There is no record of any case where the mere pendency of a civil action, has been made the pretext for stopping hearings once commenced on a matter between private persons. Such conduct is neither supported by reason nor justified by apology."

This investigation has seen the enforced resignation of the original chairman of the committee under methods both brutal and shameful. They were without justification, whether or not the chairman was to remain in office.

This investigation has seen the resignation of its original general counsel, Mr. Eugene L. Garey, and three of his principal associates, on February 25, 1944, Mr. Garey criticizing the action of the majority members of the committee as "a patent fraud on the Congress and the public" and charging that the investigation was being converted into "a sheer whitewashing affair, wholly responsive to political pressures and dominated by political expediency."

At the same time it was publicly charged in the press that "the same tactics are being pursued that caused the original chairman of the committee to announce his resignation in a dramatic floor speech last September 30" (1943). "The Justice Department," the article continued, "is said to have been enlisted in the campaign, bringing pressure upon one of Counsel Garey's associates to persuade him to give up the thankless task of exposing Fly and his dictatorship methods which have reduced the radio industry to terror."

This investigation has seen the resignation of its second general counsel, Mr. John J. Sirica, on November 28, 1944, Mr. Sirica stating at a public hearing that he did not want anyone to be able to say that he was a party to a "whitewash" and that, in his opinion, there was no other word that could be used than that for the action of the majority of the committee.

Station WMCA, New York: Charges of coercion and irregularity in connection with the sale and transfer of Station WMCA from Donald Flamm to Edward J. Noble in December 1940 have been notorious for years. The story is an amazing one and appears in full in the public and executive hearings of the committee. I shall not attempt to detail all the facts attending the transaction.

Briefly, the evidence and circumstances indicate the following conclusions:

Noble, a close friend of Thomas G. Corcoran, and a former holder of two high positions in this administration, became interested, for reasons unstated, in the acquisition of a radio station and of Station WMCA in particular.

With this end in view he retained William J. Dempsey and William C. Koplovitz, close friends of Corcoran and recommended to Noble by Corcoran, and who, until a few months before that time had been general counsel and assistant general counsel to the Federal Communications Commission.

While employed at the Commission, Dempsey and Koplovitz had, of course, full information as to the standing of Flamm with the Commission and as to all matters concerning Station WMCA which came before the Commission. During the year 1939, Dempsey, in person, had represented the Commission on an order to show cause why the license of Station WMCA should not be revoked. After hearing on that order, the Commission found that an order of revocation need not be entered "at this time," but added:

"On the whole, however, grave doubt has been cast upon the licensee's qualifications to operate its station in a manner consistent with the public interest. Accordingly, the record made in the different phases of this proceeding must be of cumulative weight in determining the disposition to be made of any future examination into the conduct of this station."

Dempsey and Koplovitz accepted employment by Noble only a few days after an interview with Flamm, who also sought their services, at which, according to Flamm, details as to Station WMCA and his fears as to

his standing at the Commission, were discussed with them.

Negotiations ensued, Flamm being finally persuaded to sell to Noble, for \$850,000, Station WMCA, for which he had received previous offers of well over \$1,000,000, and which Noble later resold at a profit of some \$400,000.

Flamm was, in substance, told by Dempsey and Koplovitz that he could either sell at Noble's price or that Noble would file for his frequency with the Commission. This assurance was given with the knowledge and acquiescence, if not with the specific authorization or direction of Noble. Flamm was also assured that in the opinion of Dempsey and Koplovitz, there was no doubt of their ability to obtain the frequency for Noble in the event of Flamm's refusal to sell, with the result that Flamm would receive nothing for his station.

The standing of Dempsey and Koplovitz at the Commission, and the knowledge obtained by them while at the Commission were, of course, well known to Flamm.

According to Flamm, no doubt was left in the minds of Dempsey, Koplovitz, or Noble that his agreement to sell was an agreement made under duress and coercion resulting solely from his fear of losing the station entirely without compensation.

Attention is invited to the fact that, when Dempsey and Koplovitz first went to the Commission, a rule of the Commission, typical of rules in other agencies, provided that—

"No person serving as an attorney at law in the Federal Communications Commission on or after July 1, 1935, shall be permitted to practice, appear, or act as an attorney in any case, claim, contest, or other proceeding before the Commission until 2 years shall have elapsed after the separation of the said person from the said service."

Prior to the resignation of Dempsey and Koplovitz that rule was amended to read as follows:

"No member, officer, or employee of the Commission shall, within 2 years after his service with the Commission is terminated, appear as attorney before the Commission in any cause or application which he has handled or passed upon while in the service of the Commission."

In view of all the circumstances, it is impossible to escape the conclusion that the spirit, if not the letter, of the rule, even as amended, was violated in the WMCA transaction.

Information gained while employees of the Commission was clearly used for private advantage. Its use was without question a material, if not decisive, factor in the negotiations.

The bill for services submitted to Noble by Dempsey and Koplovitz amounted to \$75,000. It was torn up by Noble, who subsequently paid them \$25,000. The bill would appear to have been based upon the unusual results accomplished rather than upon actual work and time involved, which was limited to a period of but a few weeks.

The interest of Corcoran in the transaction in question is apparent in the picture from start to finish. He recommended to Noble the employment of Dempsey and Koplovitz. He contacted the Commission in the interest of Noble. He interceded with the White House in Noble's interest after a request of the President had gone to the Commission for a thorough investigation of the circumstances surrounding the transaction, a request which was withdrawn shortly after his intervention. He appears in an interview with Mark Etheridge, former president of the National Broadcasters Association (who had been asked by the President to make a study of the entire radio picture); in an attempt to justify the entire WMCA transaction in terms of personalities. He appears in a later interview with counsel for Flamm in an endeavor to persuade Flamm not to bring suit for rescission; he appears throughout this

investigation, in appeals to the Speaker of the House, to the former chairman of the committee, to the former general counsel to the committee, and others, in attempts to prevent the committee from inquiring into the WMCA transaction.

Whatever may be said of other aspects of the case, the record makes it abundantly clear that the Commission had full information of the charges of coercion and irregularity in connection with the sale and transfer of Station WMCA, before, during, and after the transaction. The record shows that these charges were common knowledge in both Washington and New York at the time of the sale. It shows that they were specifically brought to the attention of the Commission from various sources while the matter was under consideration by the Commission. It shows that the Commission was told of the charges by the President of the United States.

In spite of these facts, the Commission at no time took steps to inquire into the merits of the charges. On the contrary, it approved the request for transfer of the station in the unusually short period of 15 days, and subsequently turned down a request for rehearing, both actions without any public hearing and over the recorded protests and dissent of one member of the Commission who stated, in substance, that there were ugly rumors in connection with the sale; that it was impossible, under the circumstances, and without further information, to cast an intelligent vote; and that, in his opinion, a public hearing should be held in the matter.

It may be added that the Commission also subsequently approved the sale of Station WMCA by Noble to Nathan Straus, another former administration official, at a profit to Noble of some \$400,000, as well as the acquisition by Noble of the Blue Network, without consideration of the transactions in the WMCA case.

In my judgment, the Commission cannot escape condemnation for its conduct in this case. Either the Commission was guilty of gross negligence, and failed to live up to the trust reposed in it, or it was guilty of malfeasance in office.

I disagree most emphatically with the conclusions of the majority in this connection, shown to me for the first time 2 hours before the time limit for filing this report.

As shown by the hearings before the select committee, Flamm brought an action in New York City against Noble for the wrongful acts of Noble and his attorneys. That suit has recently resulted in a verdict of \$350,000 plus costs in Flamm's favor. The verdict, of course, reflects what a jury of the peers of Flamm and Noble thought of the controversy, and is directly contrary to the finding of the majority members of the select committee.

The committee hearings disclosed that the Federal Communications Commission approved the sale and transfer of radio station frequency WMCA from Flamm to Noble without hearing Flamm's complaint that he had been fraudulently coerced into agreeing to the sale; and that the action of the Commission in approving the transfer was taken in the face of knowledge, or the means of knowledge, of widespread charges that the sale was not a proper one.

The principal part of Flamm's complaint was that Noble, through Dempsey and Koplovitz, his attorneys, had represented that unless Flamm sold the station at Noble's price, they had sufficient influence with the Commission to apply for and obtain, and that they

would apply for and obtain, Flamm's assigned frequency without paying anything for the station.

And be it remembered that when these representations were made Dempsey and Koplovitz had but recently left the Commission in their capacities of general counsel and assistant general counsel, respectively.

Certainly, Mr. Chairman, the verdict of the New York jury leaves the Federal Communications Commission and others concerned in a sorry light.

Under leave to extend my remarks, I include at this point in the RECORD an article appearing in the New York Herald Tribune on March 2, 1946:

FLAMM WINS WMCA VERDICT FOR \$350,000—HE HAD ASKED \$2,925,000 ON CHARGE OF COERCIVE SALE OF STATION TO NOBLE

Donald Flamm, former owner of radio station WMCA, received a verdict of \$350,000 from a jury in supreme court yesterday in his suit for damages of \$2,925,000 against Edward J. Noble, chairman of the board of the American Broadcasting Co. and former Under Secretary of Commerce.

The suit was based on Mr. Flamm's charge that he had been defrauded through coercion in selling the radio station at a price below its true value to Mr. Noble in January 1941. The purchase price was \$850,000. The station was later resold by Mr. Noble for \$1,255,000 in September 1942, to its present owner, Nathan Straus, former administrator of the United States Housing Authority.

The verdict, climaxing a trial which began February 5, was handed down after less than 2 hours of deliberation by a jury of 10 men and 2 women. It also touched off a statement by Mr. Flamm, who said he would "immediately seek to recapture the station."

There was no comment by Mr. Noble, but his attorney, Franklin S. Wood, said an appeal would be made.

Among the allegations made during the trial was one that Mr. Noble had been represented as a man of politically powerful connections and that, unless Mr. Flamm consented to the sale of the radio station, he (Mr. Flamm) would lose his license to broadcast. Mr. Noble contended that the sale was a "simple transaction between two businessmen."

The purchase of WMCA by Mr. Noble was brought into a congressional investigation of the Federal Communications Commission in 1944, when it was charged on the floor of the House that a study of the Noble-Flamm deal was being held behind closed doors to prevent disclosure of another case of "behind-the-scenes operations" by Thomas G. Corcoran. Mr. Corcoran is a former New Deal "brain-truster" now in private law practice in Washington.

Mr. Noble, who is also president of Life Savers, Inc., of Port Chester, N. Y., purchased the American Broadcasting Co., then known as the Blue Network, from the Radio Corp. of America for \$8,000,000 in July 1943. WJZ is the network's outlet in New York City. He was Chairman of the Civil Aeronautics Authority, in Washington, when he was appointed in 1939 by the late President Franklin D. Roosevelt to be Under Secretary of Commerce. Mr. Noble resigned that position in 1940 to campaign for the late Wendell L. Willkie, in the Presidential election.

Mr. Flamm is now chairman of the board of radio station WPAT in Paterson, N. J., and part owner of the LaSalle Hotel, in Washington. He lives at 25 Central Park West.

There can be little doubt, Mr. Chairman, that the labors of the House select committee produced some good. Despite the difficulties encountered, much was accomplished and enough was developed to indicate clearly an imperative need

for improvement in the standards of administration by the Commission and for remedial legislation.

The investigation unquestionably contributed to the retirement to private life of the Federal Communications Commission's former chairman, James Lawrence Fly.

Mr. Fly was succeeded by Mr. Paul A. Porter, previously a high official of the Democratic National Committee, as well as the prior and present holder of other Federal offices of importance. Mr. Porter's incumbency was of short duration. It is worthy of note, however, that one of his last, if not his last, official acts was apparently to cause the granting to a political friend, or to the father of a political friend, without any hearing before the Commission, of a radio station license in the State of Kentucky for the use of a frequency said to have been unsuccessfully sought by an existing radio-station licensee over a period of some 7 years.

The party so favored by Mr. Porter before he left the Commission to become Administrator of the Office of Price Administration was Mr. Edward F. Pritchard, the father of Edward F. Pritchard, Jr., general counsel for the Democratic National Committee by appointment of Mr. Hannegan, and high in the councils of the administration.

Under leave to extend my remarks, I include at this point in the RECORD an article appearing in the Chicago Tribune under date of February 25, 1946:

PORTER GRANTS RADIO LICENSE TO PAL'S FATHER—DEAL IS HIS LAST AS FCC CHAIRMAN
(By Walter Troham)

WASHINGTON, D. C., February 24.—Records of the Federal Communications Commission disclosed today that one of the final acts of Chairman Paul A. Porter was to approve a license for a Kentucky broadcasting company owned in part by the father and brother of Edward F. Pritchard, Jr., protege of Supreme Court Justice Frankfurter and close personal friend of Porter. Porter was recently named to the OPA chairmanship.

Pritchard and Porter are members of the team of administration lobbyists Democratic Chairman Hannegan recently named to push President Truman's legislative program through Congress. Other members include former OPA Chairman Leon Henderson and Deputy Reconversion Director Robert Nathan.

Last Wednesday, at the final FCC meeting presided over by Porter, a radio license was approved for the Kentucky Broadcasting Co., of Lexington, Ky. Edward F. Pritchard, Sr., father of the New Deal hatchetman, is treasurer and a director of the company and Henry P. Pritchard, a brother of Porter's pal, is another director. Each was listed as the owner of stock valued at \$10,000.

SOUGHT BY OTHER GROUPS

For 7 years Station WLAP, of Lexington, Ky., has been trying unsuccessfully to get the frequency given to the Kentucky Broadcasting Co. Lindsay Nunn, owner of Station WLAP, was denied the frequency on the ground of interference with another station.

Last Wednesday the Pritchards were granted the license without a hearing. FCC officials explained this is not an unusual procedure on uncontested applications. Paul A. Walker and Clifford J. Durr, New Deal members of the Commission, concurred in the license grant.

Last December the FCC ordered a hearing at which the Kentucky Broadcasting Co. would have been called upon to produce its financial and technical qualifications. It would also have had to define the service it

intended to give and face questioning on possible interference with other stations. This hearing was canceled by the FCC.

The Kentucky Broadcasting Co. filed its application for a license last October. At the time it was reported that Porter had turned down a suggestion that it be given special attention.

CITIZEN OF KENTUCKY

Porter, who was born in Missouri, is a citizen of Kentucky. Pritchard recently returned to Lexington to practice law there. More recently he was called to the Democratic National Committee for lobbying service.

The 30-year-old Pritchard's most important Federal post was in the Office of Economic Stabilization. He was in the Army a few weeks but was discharged reportedly because doctors gave up attempts to reduce his weight.

Pritchard's father and brother also live in Lexington. The company of which they are directors was given permission to operate a 1,000-watt station at 1,300 kilocycles on unlimited time.

The father once owned a beer-distributing business and a dairy. He went into bankruptcy, but later paid off his debts, according to FCC records. He is now worth \$65,000, records revealed.

The present Acting Chairman of the Federal Communications Commission is Mr. Charles R. Denny who, throughout the long days of the select committee's hearings, fought the Commission's battle to conceal its shortcomings as its chief counsel.

The Federal Communications Commission has requested vastly more funds for the fiscal year 1947 than were appropriated for it in war years, when it professed to be engaged in indispensable war work.

Its claim for increased peacetime and postwar funds is predicated largely upon anticipated work incident to new discoveries and improvements in the radio art, although there is no clear showing as to how much the regulatory work incident to such discoveries and improvements has actually increased or will increase in the next fiscal year.

The Commission has just completed and distributed a report consisting of 139 pages entitled "Public Service Responsibility of Broadcasting Licensees."

This report has been construed by some as indicating an intent on the part of the Federal Communications Commission to assume unlawful control over what the people shall or shall not hear over the air.

While time for detailed study has not been available, the report makes it clear that the Federal Communications Commission in the past has renewed the licenses of those who had obtained their original licenses on the basis of false representations; and has renewed the licenses of those whom the Commission now sites as having operated not in the public interest but for private profit whether or not this action has been due to political pressure, favoritism or other motives is not apparent.

The report also offers striking testimony of the extent to which radio time on Sundays has been used for commercial purposes.

Twenty-five Columbia Broadcasting System stations have devoted from 90 to 95 percent of their time and 28 National Broadcasting Co. stations from 80

to 90 percent of their time to money making programs on a Sunday. The question arises to what extent the Sabbath should be desecrated in this manner.

I repeat, Mr. Chairman, as I stated in my minority views, that there is an imperative need for improvement in standards of administration by the Commission and for remedial legislation. Both are essential to impartial and efficient regulation and to equality of opportunity and freedom of speech over the radio, one of the greatest single factors in the Nation today in terms of the preservation or destruction of our American way of life.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. SHAFER].

RUSSIA'S LATEST MOVE

Mr. SHAFER. Mr. Chairman, a former officer, on duty with Second Army Headquarters in Tennessee in the winter of 1943-44, during the maneuvers to train American troops for the Normandy invasion, has recounted to me an incident during the visit of some 18 military attachés of friendly nations to the maneuver area as observers.

The foreign attaché group stood in front of a great war map one night and the British attaché and the Turkish attaché discussed the postwar problems of Turkey. The British attaché indicated a belief that Russia, after the war, would seek to obtain the north shore of the Bosphorus and the Dardanelles. The Turkish attaché smiled and said, in effect:

The postwar status of the Bosphorus and the Dardanelles is well understood by my country and Russia. I wonder sometimes if the British Government has as complete an understanding of Russia's postwar ambitions for a corridor between the Caspian Sea and the Persian Gulf. I wonder if Great Britain realizes what it would mean in India, always restless, if Russia had a short, warm-water route, to pour cheaply made Russian goods into India in competition with the long haul, higher-production-cost goods of Britain.

This morning, Mr. Chairman, the Washington Post printed a map under the caption "Russia's latest moves," showing Russia moving armed columns southward toward the Persian Gulf, with prongs of the directional arrows aimed toward Turkey and Iraq to the west and Iran toward the east.

Perhaps that map, and the recounted observation of the Turkish military attaché in 1943-44, may have the answer to Senator VANDENBERG's question, when he came back from UNO "What is Russia up to?" Perhaps the Turkish attaché's observation in 1943 and the map printed today contain the answer to Secretary of State Byrnes' latest request to Russia for an explanation of her moves in the Iran area.

Mr. Chairman, I am not a member of the Foreign Affairs Committee of this House, but perhaps some member of that committee can inform the House whether the Foreign Affairs Committee, theoretically the direct representatives of the American people in this body to deal with our foreign problems, has been consulted

by the State Department in any way on the Iran situation, prior to the dispatch of Secretary of State Byrnes' latest note. Perhaps members of the House Committee on Foreign Affairs can inform the House whether the committee was consulted in any way before the recent note on the Spanish situation was dispatched, or whether there was consultation with the committee before the State Department attack on the Argentine Government's foreign policies was dispatched—and widely publicized.

It is my understanding that a subcommittee of the House Foreign Affairs Committee recently made a rather extensive trip through the Near East and took rather extensive records while that trip was being made. I am most interested to know if this subcommittee has ever had a chance to have its findings recorded before the full committee, or if the State Department ever asked the subcommittee to submit a report. It was an authorized subcommittee of Congress and carried a committee stenographer. Was anything ever done with the information gathered?

If the State Department's policy is to ignore the Foreign Affairs Committee of Congress, it is my belief that Congress should not ignore the State Department.

It is my belief that this proper committee of the House should be kept fully informed by the State Department of movements planned and in process, rather than coming to Congress only when the State Department's handling has so muddled the water of our foreign relations that even the State Department becomes unable to see clearly to the bottom of the pool.

Mr. Chairman, after World War I the then Democratic administration in power promised a peace with "open covenants openly arrived at." History has shown us that this lip service to a desirable end was never more than lip service.

Since the shooting ended in World War II we have had a constant series of revelations of secret agreements at Casablanca, Tehran, Yalta, and Potsdam. We have as yet no certain knowledge that there are not other secret covenants, concluded without consent of Congress or the American people, which have yet to see the light of day.

All of us in this House must report to our constituents before next November on our stewardship of the rights of our constituents during the Seventy-ninth Congress. I believe we will be remiss in that stewardship if we are unable to give a complete and honest report of commitments, promises, and gentlemen's agreements made by the past or present Executive and State Department in our field of foreign relations.

After all, we of the House are the most direct representatives of the people in National Government. I say to you, Mr. Chairman, and to every Member of this House, that we have been kept in the dark, hoodwinked and contemptuously ignored by both the Executive and the State Department in the field of foreign affairs.

What are we going to do about it?

If the answer is "nothing," in my opinion, each and every Member of this House is guilty of disloyalty, if not treasonable inaction, toward the American Nation and its people.

(Mr. SHAFER asked and was given permission to revise and extend his remarks.)

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I was considerably interested in the discourse this afternoon with respect to the modification of the rules of the House. I think it was a very engaging and very interesting discourse, but, as I reflect upon the work of the joint committee, it was inhibited by a provision in the resolution which created the committee with respect to recommendations on policies and procedures on the floor. It is a matter that the committee did not exactly address itself to. If you have taken the trouble to scan the subject matter with which the committee dealt, you will find that there are eight major items.

The first one is committee structure and operation. That proposes a plan for the reorganization of the committee structure in both the House and Senate.

The second item is the majority and minority policy committee. That brings about a more effective coordination between the executive and legislative branches of the Government.

The third matter relates to research staffing facilities, notably the staffing of committees, the augmentation of the facilities of the Library of Congress, and also an improvement and strengthening of the legislative counsel of the House and Senate.

The fourth item deals with strengthening of fiscal control. That is an item of considerable interest to me, and I am sure, Mr. Chairman, it is to you. Some years ago I appeared before the Ways and Means Committee in the course of hearings on a revenue bill and I made a suggestion to that committee that perhaps we ought to work out some kind of over-all budget ceiling, then make it a little more difficult than by the device of a simple majority vote of the House and Senate, either on a bill or conference report, to puncture that ceiling. It is something of that theory that we have pursued in connection with the joint committee recommendations as they relate to fiscal control.

Mr. Chairman, I thought perhaps I ought to recur for a moment to what has been said here on that subject, because it ought to be of interest since we are discussing a rescission appropriation bill.

Mr. Chairman, let me read from the report of the Joint Committee on the Organization of the Congress and what it said with respect to an annual Federal Budget. Here is the recommendation on page 19 of the report:

Recommendation: That by joint action the Revenue and Appropriations Committees of both Houses submit to the Congress within 60 days after each session opens (or by April 15) a concurrent resolution setting over-all Federal receipts and expenditures (estimated) for the coming fiscal year. If total expenditures recommended exceed estimated

income, Congress should be required by record vote to authorize creation of additional Federal debt in the amount of the excess. All appropriations, excepting those of a permanent nature, interest on the public debt, veterans' pensions and benefits, trust expenditures, and public-debt retirement, would be reduced by a uniform percentage in case total appropriations exceeded the amount of the approved budget figure.

That was a theory I had in mind years ago, and I do believe, Mr. Chairman, that sooner or later there is going to have to be greater coordination between the committee that devises the revenue structure of the country and the committee that is charged with the responsibility of recommending appropriations for expenditure. If I remember, Mr. Chairman—and if I am in error I hope someone will correct me—I do not recall that there have been any meetings between the Ways and Means Committee of the House and the Committee on Appropriations or that there have been any formal or stated meetings for the purpose of discussing this common problem of income and outgo of the Federal Government. I doubt very much, as a matter of fact, whether we are going to make a great deal of progress in the reduction of our Federal debt and in the development of a coordinated fiscal program of which we can be truly proud until a procedure similar to that which I read a moment ago is devised. That matter is of the utmost importance as we consider a bill of this kind.

In the present bill by interpolation and the changes that were made this morning by the committee, I would say offhand that it provides for a rescission of about \$7,500,000,000 in cash and contract authority. When added to all other rescissions it will doubtless exceed \$60,000,000,000.

We had a deficit in 1945 of \$54,000,000,000. In the fiscal year 1946 the deficit, according to the President's budget statement, is estimated at \$29,000,000,000.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman six additional minutes.

Mr. DIRKSEN. Obviously that is subject to certain modifications and it may be a little more or a little less. But in the Budget for 1947 the President estimated a deficiency of roughly \$3,600,000,000, and then by adjusting the amount of cash in the Treasury might very conceivably come out in black ink for the first time in 16 or 17 years. We, therefore, have not made too much progress, and as I see the deficiency bills that come to us from time to time I apprehend that probably the hope of balancing the budget will be wiped out.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. TABER. The gentleman does not mean to imply that by reducing your cash balance you can change the amount of your expenditures and your income?

Mr. DIRKSEN. Definitely not. It is just a little bit of wizardry and financial jugglery, but it always brings us back to the very stubborn and inescapable question of income and outgo. In proportion

as the income truly and properly and forthrightly exceeds outgo then, of course, we can make some inroad on this two hundred and seventy-nine thousand million dollar national debt. The thing is of the utmost importance. How much we hear about inflation today; how much is said about OPA controlling prices and controlling inflation. Well, in my considered judgment, I admit that I am no financial wizard and I hold no degree that would qualify me as one of the great economists of this generation, but somehow I am content to believe that neither OPA nor any other agency in government, no matter how much authority with which they are endowed, is going to control inflation so long as deficit spending continues. We have to look in another quarter, and that quarter is simply this: It is the pumping of money, money, money in the form of deficit spending into the economic blood stream of the country. In proportion as you continue to do it you make available more and more spendable funds as against a limited supply of goods. You can readily understand the apprehension of men skilled in finance and the men who are charged with the responsibilities of acting as stewards of the savings of people that are invested in life-insurance policies over unrestrained spending and by a continual and continuing unbalanced budget.

One of the great regrets in my life is that it has not been possible for me to somehow or other dramatize that fiscal problem in terms that people could understand so that you could thoroughly impress them with the very thought of the continual unbalanced budget. It is so easy to say, of course, that it has been in a state of unbalance for 16 years. As a matter of fact, I suppose there was only one time in the history of the country when the Federal debt was exactly nothing, and that was in the days of Andrew Jackson, when he had his fight with the Bank of the United States, took out the money, paid off the national debt, and distributed the surplus profits among the State banks of the country. But do not forget that we reaped the harvest of financial and fiscal headaches some time thereafter. So, some may point to history and say that it does not make any difference. Every once in awhile you encounter that squib in history, or in the history of economics, that England did not even bother to pay off the debt that was incurred in the Napoleonic wars. All that may be, but the fact of the matter is that the inflationary force is generated and it develops acceleration in proportion as you add to this huge supply of money in the country as against the disrupted production where supply and demand for all types of staple goods are not in balance.

So I come back, then, to the thesis that there is a tremendous responsibility on the Congress to walk carefully in this field and to define and to adopt the best processes we can in order to set a ceiling on the budget from year to year and make it pretty difficult to torpedo that ceiling, and then to provide that when we by our own votes here and in another body that is a part of the legislative

branch go above that ceiling we must at once automatically make provision for increasing the national debt, which will be a salutary experience for us. Then perhaps we shall get around to a more wholesome concept of this whole question of debt and budget in relation to the economy of the country as measured by the pocketbook of the man who takes his dinner bucket home on Saturday night, hands his wife a check, and then wonders whether or not it is going to stretch over the need for wearing apparel, food, and all those other things that are so indispensable in the life and economy of the average citizen of this country. It is a great responsibility, and I am glad for one that the joint committee did make a recommendation on this point. I do hope we can translate it into feasible legislation and that it will have favorable consideration on the part not only of the House but of the Senate as well. In the fiscal field is where we must conquer inflation.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Chairman, I desire to commend this subcommittee of the Appropriations Committee for bringing in this rescission bill. I am particularly interested in the item for \$1,080,000,000 which it is proposed to recapture from the funds which have already been appropriated for lend-lease operations.

On October 19 of the past year, when the first rescission bill was before this body, I offered an amendment proposing to recapture an additional half-billion dollars from lend-lease funds which were then available. I was opposed by majority party leaders on the floor. On a teller vote my amendment was defeated by 121 to 114. At that time it was obvious there was much confusion concerning the status of lend-lease funds, so I realized then that, sooner or later, additional information would be made available to the House Committee on Appropriations and to this body so that some subsequent action might be taken.

The President recently recommended the recapture of \$850,000,000 of lend-lease funds, and the committee, I am pleased to note, has increased that sum by \$230,000,000, making a total of \$1,080,000,000.

During the debate on the first rescission bill last October, I sought to point out that the Congress had appropriated a total of \$66,000,000,000 and that only about \$41,000,000,000 had been accounted for, leaving funds remaining unaccounted for in the total of about \$25,000,000,000. As you know, the President by Executive order on August 17, 1945, terminated the lend-lease operations. Now, 7 months after the termination of operations under that act, we find that, in the so-called pipe line and in various other categories, we have funds unaccounted for. I believe this body, representing the taxpayers of the Nation, should make demands upon the appropriate Federal agencies downtown to bring in complete reports so that we may know what has been done with lend-lease money.

Within the past few weeks you have read in some of the newspapers accounts that about \$6,000,000,000 worth of lend-lease obligations have been settled by Great Britain for about 10 or 11 cents on the dollar. I have endeavored to read the quarterly reports submitted to the Congress by the President to give us greater information and data concerning lend-lease, but they do not contain specific facts relating to administration.

On December 4, 1945, I introduced House Resolution 446, under which a select committee of seven Members of the House would be created to make a thorough investigation of lend-lease operations. The Committee on Rules so far has given it no consideration.

With a total of approximately \$66,-000,000,000 originally appropriated, of which about two and one-half billion will have been recaptured, the responsibility rests upon Congress to ascertain just what has been done with these many billions of the taxpayers' money. If there is nothing wrong, and I am not making allegations now—although I have received reports indicating that the procurement officers paid 100 percent in excess of the ceiling prices for various articles purchased under the Lend-Lease Act—I believe that the various agencies which have been charged with the responsibility of administration and likewise this Congress should welcome an opportunity to have a full investigation of the Lend-Lease Act and the operations thereunder. I say that not because anything can be accomplished as to what has passed, in the event we do reveal abuses, extravagance, inefficiency, and bungling, but we know the only way we can maintain a direct and effective check upon appropriations that have been made by the Congress is to serve notice upon these agencies in the executive departments that they will be held to a strict accounting.

Mr. Chairman, many references have been made to lend-lease goods in the "pipe line," covering supplies which were to be delivered to our allies after VJ-day. It has been contended by administration spokesmen that full recovery of 100 cents on the dollar would be made from such deliveries. Of course, cash is not involved but merely the promise to pay on the part of the beneficiaries over a 30-year period at a low rate of interest.

Not only is there a housing shortage in our own country but many commodities, such as lumber and building materials, are almost impossible to secure by veterans, farmers, and other citizens. Under such circumstances it is difficult to justify continued shipment abroad of these scarce commodities under the Lend-Lease Act, especially in view of the fact that the President terminated operations thereunder on August 17, 1945.

During the hearings information was requested of Commissioner Thomas B. McCabe, of the Office of Foreign Liquidation, as to the status of shipments of pipe-line supplies going to various lend-lease countries. Commissioner McCabe has submitted information to the House Committee on Appropriations showing deliveries up to January 31, 1946, which I have asked permission to insert in the RECORD, as follows:

Estimated pipe line of goods in United States and deliveries up to Jan. 31, 1946

[Dollar cost FAS]

	Total pipe line	Estimated deliveries Jan. 31, 1946
United Kingdom and colonies (excluding Ceylon).....	\$325,853,070	\$211,804,495
Australia.....	16,248,000	12,000,000
New Zealand.....	2,062,500	2,062,500
India and Ceylon.....	2,247,480	1,900,000
Saudi Arabia ¹	9,558,960	5,878,969
Union of Soviet Socialist Republics.....	280,000,000	100,000,000
American Republics.....	² 4,500,000	None
China.....	55,000,000	20,000,000
Metropolitan France.....	305,000,000	160,000,000
Belgium.....	52,000,000	22,000,000
Netherlands.....	62,000,000	41,000,000
Total.....	1,114,470,010	576,725,964

¹ Figures include inland and ocean freight charges.

² Including \$1,500,000 Treasury Procurement and \$3,-000,000 to \$3,500,000 Army and Navy pipe line.

It is apparent, from the foregoing tabulation, that it is proposed to make additional deliveries totaling almost a half billion dollars of these so-called pipeline supplies. It is questionable whether Congress has given any authority to conduct such operations and, therefore, I urge early consideration of House Resolution 446, so that Congress will learn what has actually been done by the executive department of Government under the Lend-Lease Act.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the bill be considered as read, and that the same be open to amendment.

Mr. TABER. Mr. Chairman, reserving the right to object, and I shall not object, does that mean that the committee amendments will be offered before any other amendments may be offered?

Mr. CANNON of Missouri. If that is agreeable, we can consider the committee amendments first, Mr. Chairman.

Mr. TABER. That is, all through the bill?

Mr. CANNON of Missouri. Through the entire bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The bill is as follows:

Be it enacted, etc., That the appropriations and contractual authorizations of the departments and agencies available in the fiscal year 1946, and prior year unrevoked appropriations, are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act:

TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management

National War Labor Board: Salaries and expenses, \$2,250,000.

Office of Scientific Research and Development: Salaries and expenses, \$555,000.

War Shipping Administration: Revolving fund, \$375,000,000.

Maritime training fund, \$2,000,000.

Marine and war risk insurance fund, revolving fund, \$60,000,000.

Office of Censorship: Salaries and expenses, \$415,400.

Petroleum Administration for War: Salaries and expenses, \$200,000.

In all, Office for Emergency Management, \$440,420,400.

EMERGENCY FUNDS APPROPRIATED TO THE PRESIDENT

Defense aid—lend-lease, \$1,080,000,000, to be deducted from such of the categories specified in the various appropriation acts as may be determined by the Secretary of State or such official as he shall designate.

INDEPENDENT OFFICES

Employees' Compensation Commission: Employees' compensation fund, \$1,300,000.

United States Maritime Commission: Construction fund, act of June 29, 1936, revolving fund, \$200,068,000.

Federal Security Agency

Public Health Service: Health and sanitation activities, war and defense areas (national defense), \$125,000.

Federal Works Agency

Office of the Administrator:

War public works (community facilities), \$5,750,000.

Liquidation of Work Projects Administration, 1944, \$120,000.

Work relief in Puerto Rico and the Virgin Islands, 1944, \$1,000,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$75,000.

Construction of public buildings outside the District of Columbia, \$15,662,600.

Construction of public buildings in and near the District of Columbia, \$1,500,000.

Public Roads Administration: Flight strips (national defense), \$56,732, and such additional amount as may remain unobligated.

In all, independent offices, \$325,657,332.

EXECUTIVE DEPARTMENTS

(Nonwar)

Department of Agriculture.

Emergency supplies for Territories and possessions, \$5,000,000.

Department of the Interior

Office of Fishery Coordination: Salaries and expenses, \$12,000.

Emergency funds appropriated to the President: Emergency fund for the President, national defense (allotment to Interior, Territories, and island possessions), \$1,391,143.

Department of Justice

Legal activities and general administration: Salaries and expenses, Lands Division, \$300,000.

In all, executive departments, \$6,703,143.

In all, title I, \$1,852,780,875.

Miscellaneous Provisions, Title I

Reductions in contractual authorizations

Contractual authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

Independent offices

United States Maritime Commission: Construction fund, act June 29, 1936, revolving fund, \$460,000,000.

Federal Works Agency, Public Buildings Administration: Construction of buildings in the District of Columbia, \$3,673,001.

Reductions in limitations on administrative expenses

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

Executive Office of the President

Office for Emergency Management, Foreign Economic Administration:

Rubber Development Corporation, \$160,000.

U. S. Commercial Company, \$250,000.

Independent offices

Federal Loan Agency, Reconstruction Finance Corporation: Administrative expenses, Reconstruction Finance Corporation and its affiliated organizations, \$7,000,000.

CORPORATE FUNDS TO BE TRANSFERRED TO THE
TREASURY*Executive Office of the President*

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation, \$171,890.

Inter-American Navigation Corporation, \$175,000.

Precinradio, Incorporated, \$100,000.

TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War: Expediting production of equipment and supplies for national defense, 1940-46, \$20,545,000.

General Staff Corps: Special field exercises, Army, 1942-46, \$2,413,868.

Adjutant General's Department: Command and General Staff School, Fort Leavenworth, Kans., 1942-46, \$20,000.

Finance Department: Finance Service, Army, 1942-46, \$66,140,457, and subappropriations under this head are hereby decreased as follows: (1) Pay of the Army, \$61,435,757; (2) expenses of courts martial, \$4,700; (3) apprehension of deserters, \$450,000; (4) Finance Service, \$4,000,000, and (5) claims for damages due to loss or destruction of property, or personal injury, or death, \$250,000.

Quartermaster Corps:

Quartermaster Service, Army, 1942-46, subappropriation "Welfare of enlisted men," \$5,400,000.

Transportation Corps:

Transportation Service, Army, 1945-46, \$80,000,000.

Signal Corps:

Signal Service of the Army, 1942-46, \$85,000,000.

Air Corps: Air Corps, Army, 1942-46, \$1,000,000,000.

Medical Department: Medical and Hospital Department, Army, 1942-46, \$27,615,000.

Corps of Engineers:

Engineer Service, Army, 1942-46, subappropriation "Engineer Service," \$50,000,000, and no part of such subappropriation shall be available after February 25, 1946, for acquiring land or building permanent structures within the continental limits of the United States, except structures not costing more than \$20,000.

Repair of arsenals, Army, 1942-46, \$661,905.

Repair of arsenals, emergency construction, no year, \$480.

Acquisition of land, Panama, Army, no year, \$395,593.

Acquisition of land, Buchanan, P. R., no year, \$8,284.

Acquisition of land, act June 26, 1940, no year, \$13,254.

Acquisition of land for military purposes, national defense, no year, \$360,941.

Acquisition of land, San Bernardino, Kern, Los Angeles Counties, Calif., no year, \$1,470.

Acquisition of land, Ogden Ordnance Depot, Utah, no year, \$60,420.

Sites for military purposes, no year, \$10,065.

Construction of buildings, utilities, and appurtenances at military posts, no year, \$12,533,633.

Office buildings and appurtenances, War Department, Arlington County, Va., no year, \$157.

Buildings for United States representatives, Philippine Islands, no year, \$304.

Ordnance Department: Ordnance service and supplies, Army, 1942-46, \$201,035,000.

Chemical Warfare Service: Chemical Warfare Service, Army, 1942-46, \$21,600,000.

Special service schools: Special service schools, Army, 1942-46, \$382,500, and sub-

appropriations under this head are hereby decreased as follows: (1) Infantry School, \$181,200; (2) Cavalry activities, \$30,300; (3) Field Artillery activities, \$130,500; and (4) Coast Artillery activities, \$40,500.

Armored force: Instruction in armored force activities, 1942-46, \$83,000.

Seacoast defenses:

Seacoast defenses, general, 1942-46, \$14,683,000, and no part of such appropriation shall be available after February 25, 1946, for the acquisition of land.

Seacoast defenses, general, no year, \$9,698,373.

Seacoast defenses, no year, \$708,225.

Seacoast defenses, insular departments, no year, \$50,456.

Seacoast defenses, Panama Canal, no year, \$622,470.

United States Military Academy: Pay of Military Academy, 1942-46, \$126,272.

Citizens' Military Training:

Military supplies and equipment for schools and colleges, 1942-46, \$6,083.

National Board for Promotion of Rifle Practice, Army:

Promotion of rifle practice, 1942-46, \$17,500.

Inter-American relations, War Department: Inter-American relations, War Department, 1943-46, \$30,000.

National defense activities, War Department, 1942-46, \$2,659.

Office of the Secretary:

Contingent expenses, War Department, 1942-46, \$1,200,000.

Printing and binding, War Department, 1942-46, \$4,500,000.

Emergency funds appropriated to the President: Emergency fund for the President, national defense (allotment to War), 1942-46, \$10,000,000.

In all, title II, \$1,615,926,369.

TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:

Naval Research Laboratory, \$75,000.

Ocean and lake surveys, Navy:

Fiscal year 1944, \$48,925.

Fiscal year 1945, \$7,953.

Bureau of Naval Personnel:

Naval Training Station, Lake Pend Oreille, Idaho, 1944, \$11,486.

Naval Training Station, Port Deposit, Md., 1946, \$200,000.

Libraries, Navy, 1945, \$171,373.

Welfare and recreation, Navy:

Fiscal year 1945, \$1,968,936.

Fiscal year 1946, \$2,000,000.

Naval Reserve Officers' Training Corps:

Fiscal year 1944, \$8,608.

Fiscal year 1945, \$62,595.

Fiscal year 1946, \$250,000.

Naval prison farms and prison personnel (receipt limitation), 1944, \$38.

Bureau of Ships:

Maintenance, Bureau of Ships:

Fiscal year 1942, \$3,090,591.

Fiscal year 1943, \$53,724,957.

Fiscal year 1946, \$30,000,000: *Provided*, That this appropriation shall be available for continuing the purposes of the appropriation "Defense installations on merchant vessels, Navy," when such latter appropriation is exhausted.

Bureau of Ordnance:

Ordnance and ordnance stores, Navy:

Fiscal year 1945, \$205,247,233.

Fiscal year 1946, \$100,000,000.

Bureau of Supplies and Accounts:

Pay, subsistence, and transportation, Navy, 1944, \$2,763,960.

Pay and subsistence of naval personnel, 1946, \$400,000,000.

Maintenance, Bureau of Supplies and Accounts:

Fiscal year 1944, \$5,000,000.

Fiscal year 1946, \$15,000,000.

Transportation of things, Navy, 1946, \$150,000,000.

Fuel and transportation, Navy, 1945, \$20,000,000.

Naval stock fund, \$275,000,000.

Bureau of Medicine and Surgery:

Medical Department, Navy:

Fiscal year 1944, \$2,372,599.

Fiscal year 1945, \$7,000,000.

Fiscal year 1946, \$17,000,000.

Bureau of Yards and Docks:

Maintenance, Bureau of Yards and Docks:

Fiscal year 1944, \$1,500,000.

Fiscal year 1945, \$4,000,000.

Fiscal year 1946, \$100,000.

Public Works, Bureau of Yards and Docks, \$190,000,000, and the contractual authorization for "Public works, Bureau of Yards and Docks," available in the fiscal year 1946, is hereby further reduced in the sum of \$5,000,000, applicable to projects within the continental limits of the United States, and neither the appropriation nor contractual authorization under this head shall be available after February 25, 1946, for the acquisition of land.

Bureau of Aeronautics:

Aviation, Navy:

Fiscal year 1943, \$225,000,000.

Fiscal year 1943-44, \$10,000,000.

Fiscal year 1944, \$200,000,000.

Fiscal year 1946, \$215,887,000, and subappropriations under this head are hereby decreased as follows: (1) New construction and procurement of aircraft and equipment, spare parts, and so forth, from "\$128,116,900" to "\$94,737,200"; (2) replacement of navigational and radio equipment for aircraft in service, etc., from "\$44,934,000" to "\$34,917,200"; and (3) maintenance, repair, and operation of aircraft factory, air stations, etc., from "\$800,374,950" to "\$627,884,450."

Marine Corps:

General expenses, Marine Corps:

Fiscal year 1944, \$10,000,000.

Fiscal year 1945, \$10,000,000.

Increase and replacement of naval vessels: Increase and replacement of naval vessels, construction and machinery, \$602,491,000.

Increase and replacement of naval vessels, armor, armament and ammunition, \$338,848,000.

Increase and replacement of naval vessels, emergency construction, \$20,387,000.

Repair facilities, Navy:

Repair facilities, Navy, \$18,281,000.

Coast Guard:

Pay and allowances, Coast Guard:

Fiscal year 1944, \$11,816,086.

Fiscal year 1945, \$5,940,838.

Fiscal year 1946, \$7,000,000.

General expenses, Coast Guard:

Fiscal year 1944, \$136,250.

Fiscal year 1945, \$48,286.

Fiscal year 1946, \$1,500,000.

Retired pay, former Lighthouse Service, Coast Guard, 1946, \$41,000.

Salaries, Merchant Marine Inspection, Coast Guard, 1945, \$5,985.

NAVY DEPARTMENT

Salaries:

Salaries, Compensation Board, 1944, \$109.

Salaries, Bureau of Naval Personnel, 1945, \$577.

Salaries, Hydrographic Office:

Fiscal year 1944, \$65,119.

Fiscal year 1945, \$30,461.

Salaries, Bureau of Ships, 1945, \$7.

Salaries, Bureau of Supplies and Accounts, 1945, \$33,299.

Salaries, Bureau of Yards and Docks, 1945, \$153.

Contingent expenses:

Contingent expenses, Navy Department, 1945, \$106,000.

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,000,000."

Printing and binding, Navy Department, 1945, \$2,118,500.

The amount which may be transferred to this appropriation from other appropriations

contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$8,500,000."

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1945, \$52,000.

Fiscal year 1946, \$600,000.

Transfer of appropriations

Transfers of the amounts hereinafter set forth shall be made from the appropriation "Aviation, Navy, 1946," to the following appropriations:

Navy War College, 1946, \$37,000;

Naval Training Station, Newport, 1946, \$907,000;

Pay, Naval Academy, 1946, \$159,000;

Naval Home, 1946, \$12,640;

Pay, subsistence and transportation, 1943, \$4,500,000;

Maintenance, Bureau of Supplies and Accounts, 1943, \$350,000;

Maintenance, Bureau of Supplies and Accounts, 1945, \$29,364,000;

Fuel and transportation, Navy, 1944, \$1,415,000;

Civilian employees, Coast Guard, 1946, \$395,000;

Salaries, Merchant Marine Inspection, 1946, \$72,000;

In all, \$37,211,640.

Naval stock account and fund

Effective April 1, 1946, the limitation, specified in the First Supplemental National Defense Appropriation Act of 1944, on the value of stock in the "Naval stock account" plus outstanding obligations under the "Naval stock fund" shall be reduced from \$2,250,000,000 to \$1,650,000,000, and thereafter said stock and obligations shall not exceed at any time said latter amount.

In all, title III, \$3,166,992,924.

General provision

The War and Navy Departments are hereby relieved from reimbursing each other from the appropriations of the "Military Establishment" and the appropriations of the "Navy Department and the naval service" for the amounts which on the date of this act may be owing by either Department to the other (exclusive of working fund accounts) for materials, supplies, equipment, or services furnished to either of said departments by the other, prior to September 1, 1945. The department furnishing such materials, supplies, equipment, and services shall be responsible for the expenses arising in connection with the termination of contracts or settlement of the accounts in connection therewith.

Sec. 301. This act may be cited as the "Second Supplemental Surplus Appropriation Rescission Act, 1946."

COMMUNISM IN CENTRAL AMERICA—ITS THREAT TO THE UNITED STATES

Mr. CANNON of Missouri. Mr. Chairman, before I offer the first committee amendment, I desire to yield to the gentleman from West Virginia [Mr. RANDOLPH] and ask unanimous consent that he may have five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RANDOLPH. Mr. Chairman, I move to strike out the last word. I appreciate the courtesy of the able chairman of the Committee on Appropriations and shall ask the indulgence of my colleagues for these few minutes that I may present to you, not my opinions in the manner of an alarmist who would try to arouse his fellow members, but to give you what I believe to be facts in reference to a situation which I feel is of the utmost importance at the present time.

Within recent days I have returned, together with other Members of the House who journeyed to Central America to investigate the construction of the Inter-American Highway running through seven countries. We occupied about 3 weeks in this important task. I shall not now discuss the problems in connection with the building of that road which passes through Panama, Costa Rica, Nicaragua, Honduras, El Salvador, Guatemala, and Mexico. That will be a proper subject for the distinguished chairman of the Committee on Roads, the gentleman from Utah [Mr. ROBINSON], and those of us who joined in the investigation and study. We shall make a report to the Congress of the United States in reference to whether we should or should not appropriate additional sums of money for its completion. I shall, therefore, refrain at this time, although I am absorbed with the subject matter, from a discussion of that vitally important highway.

I call attention, however, to what I found to be in evidence in these Central American countries with reference to the Communist-controlled forces which are being directed, vigorously, against the Government of the United States.

I read an editorial with which I agree. It appeared in yesterday's Washington Daily News:

RUSSIA AND CHURCHILL

Moscow's bitter attacks on Winston Churchill for proposing closer Anglo-American fraternal association come with bad grace from the Russians, of all people. They seem to forget that they have a 20-year military alliance with Britain, and an offer of one for 50 years. And they have military alliances with other nations. Those in glass houses should not throw stones.

The reason an Anglo-American treaty of alliance is not in the picture has nothing to do with Russian feelings. Certainly Washington would not recognize Moscow's right or good faith in offering objections to the United States following the Russian precedent.

Actually, however, American tradition is against peacetime military alliances of an exclusive nature. That tradition is not apt to be changed.

Moscow knows this. She also knows that treaties of alliance are not worth much, as her own experience shows.

What counts in the relations of nations are common purposes and mutual interests—or conflicting purposes and interests. The Anglo-American conflict of interests is minor compared with the basic purposes and standards shared by the two peoples. The fraternal association which Churchill mentioned—he did not propose a treaty of alliance—already exists and has existed for a long time. Repeatedly it has held Britain and America together in times of grave crisis. It is stronger today than ever.

That does not mean that the United States underwriters all British imperial policy, or that England always agrees with us. It does mean that on the larger issues of world peace, and defense against aggression, the United States and the British Commonwealth are united.

This is not a menace to any peaceful nation; not a threat to any freedom. It is the best hope of the United Nations, and is so recognized by most members.

It will not be used for aggression against Russia. Whether it is ever used in defense against Russian aggression will depend on Moscow. Certainly the democracies and Soviet Russia can exist peacefully in the

same world—but not if Russian-directed communism tries to overthrow our democracies. Certainly there is no legitimate territorial conflict between the United States and Russia—but Russia can create conflict if she is determined on expansion at the expense of her neighbors.

If Russia will live up to her United Nations pledges, she will have the United States and Britain as enduring friends in that alliance for peace. But if she continues to violate her peace agreements—as she is doing today in Manchuria and Iran and elsewhere—no power on earth can make others trust her. Unless Russia learns that before it is too late, the future is dark.

I repeat the words: "Certainly the democracies and Soviet Russia can exist peacefully in the same world, but not if Russian-directed communism tries to overthrow our democracies." Mr. Chairman, that policy, not conducive to peace, is being used in the republics of Central America at this hour.

Not only in talking with the officials of the governments concerned, but in checking with literally hundreds of people who reside in those nations, I found evidence which I shall hope to authenticate at a later date, of Communist-controlled forces that are not only using Central America to spread the doctrines of Soviet Russia in those respective countries, but I learned that those nations are being used as a springboard of bitter, virulent attacks upon the United States of America, its Government, and our institutions. Why do I say this? I believe that the Communist newspaper publications in Central America are directed, not from channels in Cuba or from Mexico, but are patterned in their editorial policies and their utterances from Russia itself. The clippings are similar in nature, and the thread of comment running through all of them indicates that there is one central fountain from which the attacks spring.

We visited Managua, the capital of Nicaragua. I found there a man by the name of Fletcher Warren, a clear-thinking, hard-working American, who is our Ambassador in that Central American country. He is thoroughly American, and he is attempting in every possible manner to cooperate with Nicaragua in its contacts with the United States in building a sustained peace and understanding. And yet what did I find? Within the last few weeks at least two and possibly three Communist newspapers in Central America which had previously been praising only the Soviet system of government have now turned their poisoned pens on Fletcher Warren. I have read the slanderous attacks. They are not against the man himself, but they are focusing on Fletcher Warren because he is the Ambassador of the United States. He is a symbol of our country.

Mr. Chairman, I know it is easy to say that perhaps this subject should not be discussed at this time. I thought carefully before uttering the words I have spoken today. I believe, however, that it is absolutely necessary that the United States of America probe painstakingly and continually into the attacks which are being made on the representatives of our Government and our institutions by the Communist newspapers of Central

America. I do not believe that those editorials spring sporadically from the newspapers themselves at the plants where they are printed. I know because of the common thread that runs through each and every article that there is a direction, and it appears to come from no other spot than Soviet Russia itself.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. BREHM. Why limit the investigation to newspapers of Central America? Why not extend them to some of our own publications in the United States? In my opinion, certain Communist newspapers in America are using the right of free speech granted to them by the American Government to destroy the very Government which gives them the right of free speech.

Mr. RANDOLPH. I only concern myself, at the moment of course, with what I believe to be the using of Central American countries as an outlet for expressions derogatory to the representatives of this country who are our ambassadors in Central America. We are not aiding those peoples in an effort to exploit, but only to build solidly for peace. I would remind you that I saw cotton acres presumably planted for that purpose by the Japanese, but anyone alert to the situation would know that these lands had been anticipated, in the final analysis, as air fields. The Nazis used the coffee plantations as blinds for radio stations and contact points.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I am glad to yield to the gentleman from Illinois.

Mr. DIRKSEN. What the gentleman says should have a sobering effect upon our opinions when they come as supplants for money out of the Treasury of this country.

Mr. RANDOLPH. I have this further observation to make. I feel that the clever and dangerous Communist forces in Central America are more thoroughly and effectively organized today against the United States of America than were the Japanese or the German attempts in Central America prior to World War II. I hope that we as a Nation will not be gullible enough to allow facts to pass unnoticed. I do feel, I may say in reference to the observation of my distinguished friend from Illinois, that the leaders and people generally, within these Central American countries, are thoroughly in accord with the fullest cooperation with the United States. We can and must, in a constructive manner, continue to foster this spirit.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. CANNON of Missouri. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 7, strike out "\$2,250,000" and insert in lieu thereof "\$1,600,000."

Mr. CANNON of Missouri. Mr. Chairman, this amendment is self-explanatory and is offered on the recommendation of

the subcommittee. I ask for an immediate vote.

The amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment on page 3 after line 20.

The Clerk read as follows:

Committee amendment: Page 3, after line 20, strike out the matter in lines 21 and 22.

Mr. CANNON of Missouri. Mr. Chairman, this amendment is offered on the recommendation of the chairman of the Committee on Public Buildings and Grounds and is unanimously approved by the subcommittee.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I offer a further amendment on page 3, after line 22.

The Clerk read as follows:

Committee amendment: Page 3, after line 22, strike out the matter in lines 23 and 24.

Mr. CANNON of Missouri. Mr. Chairman, this amendment is also offered with the approval and recommendation of the chairman of the Committee on Public Buildings and Grounds.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I offer a further committee amendment on page 11, line 7.

The Clerk read as follows:

Committee amendment: Page 11, line 7, after the comma insert "1946."

Mr. CANNON of Missouri. Mr. Chairman, this is merely a formal amendment designed to clarify the text.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment on page 13, line 20.

The Clerk read as follows:

Committee amendment: Page 13, line 20, before the period insert the following: "except in pursuance of a specific appropriation."

Mr. CANNON of Missouri. Mr. Chairman, this amendment is offered for the purpose of requiring the department to come before the committee and justify any contemplated land acquisitions.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, on page 13, line 23, I offer a further amendment.

The Clerk read as follows:

Committee amendment: Page 13, in line 23, strike out "\$225,000,000" and insert in lieu thereof "\$265,000,000" and on page 14, line 1, strike out "\$200,000,000" and insert in lieu thereof "\$260,000,000."

Mr. CANNON of Missouri. Mr. Chairman, this is for the purpose of saving additional funds and is offered on the recommendation of the Navy Department.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, on page 17, after line 8, I offer a further amendment.

The Clerk read as follows:

Committee amendment: Page 17, after line 8, insert the following: "Salaries, Office of Commandant, United States Coast Guard, 1946, \$265,000."

Mr. CANNON of Missouri. Mr. Chairman, this amendment is offered to care in part for the additional funds needed by this office. We were asked to provide \$410,000. This is a reduction of \$145,000.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 2, line 22, strike out "\$1,080,000,000" and insert in lieu thereof "\$1,280,000,000."

Mr. TABER. Mr. Chairman, this amendment is offered to increase the amount of rescission on lend-lease \$200,000,000.

The hearings upon this subject are not as good as I wish they were. The lend-lease bookkeeping is not very good either. It is perfectly clear that they are reporting obligations of \$3,000,000,000 and they are only proposing to save out of cancellations the sum of \$100,000,000. They are proposing to spend during the rest of the year something like \$727,000,000.

The committee raised the cut \$230,000,000 above the Budget, but I think that we can take \$200,000,000 more and they will still have plenty of money. Perhaps the most outstanding feature at the present time is the pipe line of goods headed for Russia, involving \$280,000,000 and deliveries of only \$100,000,000.

It is apparent to me from the whole set-up and from the amount of the outstanding obligations and from the amount of contracts that might be canceled that they can save at least \$200,000,000 more. When the last rescission bill was up an attempt was made by the gentleman from Idaho [Mr. DWORSHAK] for adding \$500,000,000. It was said at that time that it was not possible. On the other hand, they come in here now with a recommendation themselves to take out \$850,000,000, and the committee \$1,080,000,000. It is apparent to me, because these rescissions are resulting in so much less savings than any other department or agency, in proportion, that they can save this additional \$200,000,000 and still have plenty of money to do anything that they need to do.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. SPRINGER. What are they using the lend-lease funds for at this time?

Mr. TABER. To send stuff to these countries. Frankly, I recognize our obligation to more or less feed the hun-

gry nations, but I question, after the way Russia is acting, whether we should send anything more over there. I do not think that it promotes international good will. The more you give them the worse they seem to act.

Mr. SPRINGER. Are they creating any new obligations to any great extent at this time?

Mr. TABER. In the new obligations that they are creating, they wanted to create \$727,000,000. The committee cut that by \$230,000,000, so I presume you would have to take that off. That would be \$500,000,000 new obligations, and the only legitimate obligation they might create would be for freight charges in sending and making the deliveries of the stuff. They would have plenty of money for that and still make the cut I propose.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I wish the gentleman would go a little more into detail about these commitments to Russia, the amount of them, and what they are used for.

Mr. TABER. I cannot give the commitments to Russia as of today. They had \$280,000,000 in the pipe line as of January 31, and they had delivered out of that \$280,000,000, \$100,000,000 worth of stuff, leaving \$180,000,000 that was still in the pipe line, headed for Russia.

Mr. ROBSION of Kentucky. Does the gentleman mean it is in transit to Russia?

Mr. TABER. No; I do not mean in transit. They call it "delivery" when they load it on the ships here in this country ready to go.

Mr. ROBSION of Kentucky. Has it been loaded yet?

Mr. TABER. It had not been on the 31st of January, and that is the latest date that I have been able to get figures on.

Mr. ROBSION of Kentucky. I guess you would say then that it was earmarked.

Mr. TABER. It was earmarked for Russia.

Mr. ROBSION of Kentucky. Under what obligation are we to supply these additional funds?

Mr. TABER. I do not know.

Mr. ROBSION of Kentucky. Is that not a violation of the law itself?

Mr. TABER. I think it is.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Whether it is in violation of the law or not, is it not true that we could reassert title to those goods?

Mr. TABER. Yes, at any time, under the law, if we needed them for ourselves.

Mr. CASE of South Dakota. So that if

the Administrator felt that we should recapture those goods and not permit them to get into the hands of Russia or England, or whoever it might be, we could reassert title up to the time of actual delivery?

Mr. TABER. Yes. Frankly, I do not object to that.

Mr. CASE of South Dakota. Even after delivery we can reassert title, if they are surplus goods, when the war is concluded.

Mr. TABER. That is right.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. VORYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have not had a chance to study very fully the arithmetic of the lend-lease accounting to the Appropriations Committee, but I am supporting this amendment.

I want to remind the committee of certain recent history. Last spring when we extended lend-lease there was included an amendment sponsored originally by a Republican minority of the House Committee on Foreign Affairs prohibiting the use of lend-lease as a postwar mechanism for relief, rehabilitation, or reconstruction. In that amendment, which was drafted in my office, was an exception that lend-lease supplies which we had agreed to send before the war was over for use in the war, and for which payment was made, could be delivered after the war. That exception was called the pipe-line provision. The purpose of the exception was to take care of lend-lease materials that were in the pipe line, that had been ordered or were on the way over, and that when the war ended would become war surplus as far as we were concerned.

After the House adopted this amendment it was claimed that this pipe-line provision was a loophole in the postwar lend-lease prohibition and would be used by the administration for furnishing indefinite amounts of postwar lend-lease, in spite of the apparent prohibition of postwar lend-lease in the rest of the amendment.

In the Senate an attempt was made to take out that pipe-line loophole. The vote on the amendment to take it out was 39 to 39. The then Vice President Truman, seeing that the vote was a tie and not realizing that since it was a tie the motion failed, cast his only vote as a Senator while he was Vice President in order to break that tie. Therefore, the bill went to the White House as written here on the floor of the House of Representatives, containing this Republican-sponsored amendment. President Roosevelt died and Vice President Truman became President and signed that bill, so he therefore voted on it as a Senator, signed it as Vice President, and signed the same bill as President.

A group of Republican members of the Committee on Foreign Affairs in May, after VE-day, the same group that had sponsored this amendment in the House, being concerned that there would be an attempt made to use this pipe-line amendment as a loophole to use lend-lease as a postwar mechanism, wrote the President asking him what his policy

would be and whether he intended to comply with this amendment or use the pipe line as a loophole to use lend-lease for postwar relief, reconstruction and rehabilitation purposes, as had been charged on the floor of the Senate and elsewhere. In our letter we reminded him that no President ever knew the intent of Congress better than he did in connection with this bill, having been present in the Senate and heard the debates as Vice President and having voted on it on that tie vote as a Senator. The answer came back that he understood the intent of Congress and intended to carry it out clearly and not do anything except clear the pipe line.

As we know, shortly after VJ-day came an announcement that was astounding in some quarters, but it was clearly in accord with the intention of the Congress, that lend-lease would be cut off. The President was thereby complying with the law.

As I say, I have not had a chance to study the figures carefully, and they are so put together in the hearings that it will require a great deal of study to make head or tail of them. However, it seems to me that we are seeing the lend-lease pipe line used as a loophole to furnish postwar food, relief, rehabilitation, and reconstruction to certain countries, that we are seeing a violation of the provision of the Congress. Under the pipe-line agreements we are not obligated to furnish anything after the war, but the other countries are obligated to take, and pay for, whatever is in the pipe line that we want to continue to deliver. Thus, there can be no legal obligated appropriations for postwar lend-lease, yet the earnings and reports show millions of such obligations.

I cannot see how any food could still be in the pipe line, yet we find \$400,000,000 still to be spent for agricultural items. Thus food is postwar relief, not war surplus. Therefore, it seems to me it would be fully in accord with the clear intention of Congress if we made this additional rescission that the gentleman from New York has suggested by his amendment, and cut down this amount to make sure that the lend-lease law on this subject is observed by the administration.

(Mr. VORYS of Ohio asked and was given permission to revise and extend his remarks.)

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman from Indiana may proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Chairman, the gentleman from New York and I have served so long together on the Committee on Appropriations, sometimes it seems to me that the memory of man runneth not to the contrary. I have learned through the years to appreciate his incalculable value to this House and to the United States of America. Usually, when we write these appropriation bills in committee, his pencil and mine move in the same direction—and that is downward. But I do not believe

the gentleman from New York understands all of the facts about the status of the lend-lease appropriation or he would not advocate a greater rescission than is provided in this bill.

There is only one proper way to decide the amount of lend-lease appropriations that should be rescinded, and that is on the basis of clearly ascertained facts. What are the facts?

Let us bear in mind, first of all, that lend-lease is on a purely folding-up basis. It is not buying a new thing and it cannot undertake any new obligations. Let us not forget that its activity is to be devoted henceforth to paying its bills and closing up shop. It is nothing more than a liquidating operation from now on.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. TABER. The evidence indicates they expect to obligate \$500,000,000.

Mr. LUDLOW. That is a mistake. They do not expect to enter into any new contracts or any new commitments.

Mr. TABER. Then we ought to be able to save something.

Mr. LUDLOW. Thomas B. McCabe, Foreign Liquidation Commissioner, and his staff made a careful survey to determine how much money they would have to have in order to close out. They decided that by wringing out every unnecessary dollar of their resources at hand they could return \$750,000,000 to the Treasury. Then they screwed up the wringer a little tighter and decided that they could possibly add \$100,000,000 to that amount, making the total rescission \$850,000,000, and the Budget Bureau sent our Deficiencies Subcommittee an estimate of that amount. This left a total of \$727,385,000 to cover liquidating operations from December 1, 1945, to the end of the availability of the lend-lease appropriations. These obligations are listed in 10 categories on page 208 of the committee hearings.

I am advised that the \$850,000,000 rescission exhausts—in fact, more than exhausts—all of the available uncommitted resources of lend-lease. Every dollar held by lend-lease beyond that amount is committed by hard and fixed obligations of this Government. Therefore, it has nothing beyond that amount it can rescind. It is impossible to squeeze blood out of a turnip and I am convinced that no money can be squeezed out of lend-lease for rescission purposes beyond the \$850,000,000 proposed by lend-lease and approved by the Budget.

I believe from my investigation of the matter that this is a plain factual statement, the truth of which will be brought out later. Since Mr. McCabe and his staff, with some misgivings, agreed to rescind \$850,000,000, other obligations have turned up which, if taken into account, would reduce the rescission many millions of dollars below \$850,000,000. These result from so-called open-end contracts, the bills for which are now coming in and which are adding in a surprising way to the total of lend-lease obligations. Open-end contracts were contracts in which the Government bound itself to take the complete output of factories. Many steel contracts were of this character. In such cases the

Government's actual obligations could not be known until the vouchers come in. Since lend-lease last reported to our subcommittee it has learned of \$50,000,000 or \$60,000,000 of obligations it did not know it had and all of the vouchers from open-end contracts, especially steel contracts, are not yet in.

I am satisfied that Lend-Lease overshot rather than underestimated its rescindable resources when it fixed the amount at \$850,000,000. I believe that our subcommittee made a mistake when it increased the rescission \$230,000,000, and I am certain that any further increase of the rescission as proposed by the gentleman from New York would be a perfectly futile performance, which would either result in an enormous lot of claims being filed against the Government for unsatisfied obligations or in the presentation later of estimates for deficiency appropriations to cover these claims. I hope that all efforts to increase the rescission will be defeated.

The adoption of the amendment of the gentleman from New York would put the House in a ridiculous position. The Senate would be certain to reject it, for there is no such money to rescind. I repeat that you cannot get blood out of a turnip.

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from Indiana [Mr. LUDLOW] spoke of this obligation as a hard and fixed obligation of the Government and said that we could not get blood out of a turnip.

Now, just what is the situation? Are we under hard and fast obligations to deliver goods in the lend-lease pipe line? In Chungking, in Calcutta, in New Delhi, in Tehran, in Frankfurt, in Berlin, in Paris, and in Cairo, members of the Appropriations Subcommittee for the War Department discussed the problem of the left-over lend-lease goods in the various countries which we visited. I see at least three members of that subcommittee on the floor this afternoon, and I am sure they will bear me out when I say that that question was repeatedly raised, as to whether the United States Government could not reassert title to lend-lease goods which had already been delivered but which were surplus and no longer needed with the war over. Repeatedly, in all of those places we were told that the United States Government could assert title to lend-lease goods which had been delivered, when they were surplus and the war was over. Then, how can anyone contend now that we have a fixed obligation to deliver additional lend-lease goods because they happen to be in the pipe line?

Here are samples from the pipe-line figures which total something over a billion dollars:

United Kingdom and colonies, \$325,000,000.

India and Ceylon, \$2,247,000.

Union of Soviet Socialist Republics—Russia—\$280,000,000.

Metropolitan France, \$305,000,000.

There have been a great many red faces in this country because of the sale of scrap and oil to Japan and to some other countries, and the delivery of

some other goods which they later used to make war on the United States.

In the present unsettled condition, in the present turmoil about the situation in the world, what justification can there be for the United States continuing the delivery of lend-lease goods to some or any of those countries I have mentioned, under any theory of obligation?

What is this money to be used for? An analysis of the projected obligations as given in the hearings on page 208 shows that ordnance and ordnance materials account for \$11,000,000; aircraft and aeronautical materials for \$28,000,000; trucks and automotive vehicles for \$45,000,000; vessels, water craft, and equipage, \$173,000,000, and so on; also agricultural commodities and items of that sort, \$400,000,000.

What obligation have we to make the delivery of goods that are now in the pipe line when we can reassert title to those we delivered before the war ended when they became surplus? I suggest to the Members of the House that we had better consider pretty carefully and, if we can, reclaim more of these funds lest there be a lot of red faces if the delivery of some of these materials should later be found to have placed them into the hands of persons who would use them for aggression or for purposes that would run counter to the interests of the United States.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. SMITH of Virginia. Mr. Chairman, I ask unanimous consent that the gentleman from South Dakota may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. SMITH of Virginia. What some of us would like to know is whether as a matter of physical fact we are now delivering any goods to any foreign country under lend-lease obligations?

Mr. CASE of South Dakota. As I understand it, the purpose of this appropriation item is to make the delivery of goods which have not yet got to them, and to complete the contracts for those goods.

Mr. SMITH of Virginia. Under what authority of law are we giving any foreign country under lend-lease now?

Mr. CASE of South Dakota. I am sure I do not know other than as the gentleman from Ohio [Mr. VORVY] said that it grows out of the pipe line clause which technically offers some escape, although it was not intended to be so used as he explained.

Mr. SMITH of Virginia. Is that why this \$200,000,000 is claimed to be needed, to take care of goods in the pipe line?

Mr. CASE of South Dakota. Yes; that is why the funds were originally appropriated; the bill now pending rescinds a portion of those appropriations; the amendment by the gentleman from New York seeks to increase the rescission by \$200,000.

Mr. SMITH of Virginia. What I would like to know is whether we are giving any goods today to foreign countries under lend-lease, and, if so, by what authority? And I hope some member of the committee will explain.

Mr. LUDLOW. There are no new commitments.

Mr. SMITH of Virginia. I am not talking about that. What I am talking about is delivering goods to foreign countries under lend-lease at this time.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from New York.

Mr. TABER. I read from the Twenty-first Report on Lend-Lease Operations, which was presented here on January 31:

Adherence to this policy has meant the almost complete cessation of expenditures of lend-lease funds except to the extent that these funds have been encumbered by obligations assumed.

There are \$400,000,000 available above the amount that is encumbered. That is what I propose to cut.

Mr. CASE of South Dakota. And the gentleman proposes that we shall not spend any more money than is necessary to complete those obligations, and then not fill the pipe line any more.

Mr. TABER. That is right.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, the last 5 to be reserved to the committee.

Mr. SMITH of Virginia. Mr. Chairman, reserving the right to object, this seems to me to be a matter of very grave importance about which the House understands little. I do not think the gentleman should cut off debate on this matter until it has been further gone into.

Mr. CANNON of Missouri. We have already debated this matter pretty fully. Does the gentleman want 5 minutes?

Mr. SMITH of Virginia. I want information, not particularly time for my own use.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, the last 5 to be reserved to the committee.

Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, I would like to address myself particularly to the gentleman from Virginia [Mr. SMITH] because I think that is an interesting question and one on which there is a great deal of confusion. I can best illustrate it in the form of an inquiry I checked up on very recently when the housing bill was before this body for consideration. There was a note in my mail to the effect that some 40,000,000 board feet of hardwood lumber was being exported out of the country. I thought that was an abnormally large estimate, so I called up the Treasury Department to check on the matter and I got hold of

the appropriate person down there who is working in the lend-lease end of the Treasury Procurement. He searched around and came up with a different figure. I asked him what it was and he said the amount was 18,000,000 feet. That is to say that we were obligated to export 40,000,000 feet, but 18,000,000 feet remained undelivered. I said, "By what warrant is 18,000,000 board feet of hardwood lumber being sent out of the country?" He said, "A selection was made by countries with whom we had a lend-lease contract or lend-lease agreement, and we permitted them at the time that lend-lease came to an end to make a selection of the contracts that they would like to see fulfilled." So those contracts are being fulfilled today, as I recall, on a 30-year credit basis at an interest rate of 2 percent.

Mr. LUDLOW. Two and three-eighths percent.

Mr. DIRKSEN. Or $2\frac{3}{8}$ percent. We said to these countries: "All right, you pick out the contract you want fulfilled, notwithstanding the fact that here is a proclamation to the effect that lend-lease as such should terminate." Now we are fulfilling those contracts notwithstanding the declaration that was made to the effect that lend-lease came to an end.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. Can the gentleman inform me on this point: In those cases where we are delivering further goods to foreign countries under lend-lease, are those countries now purchasing and obligating themselves to pay for those goods?

Mr. DIRKSEN. Insofar as I know, that is being handled on the basis of 30 years' credit at $2\frac{3}{8}$ percent. If I am in error I will be happy to have somebody correct my recollection. In addition to that, there is a bookkeeping transaction and reimbursement to the various agencies of government where these commitments are being liquidated and obligations raised similar to the fixed obligations read a moment ago by the gentleman from South Dakota; then, of course, there is the administrative expense that goes along with it.

The point I raise on behalf of the pending amendment is this: Wherever it involves our own Government and we find ultimately there is a deficiency we can cure it in a subsequent deficiency bill. It does not necessarily have to be done today, for one thing, and, secondly, if there is a possibility that some excess funds are left over, it occurs to me that the Congress can still reexamine into that matter very carefully to make sure that there is no extravagant expenditure of those funds irrespective of how much is involved.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Michigan.

Mr. RABAUT. In connection with these goods that were in the mill, so to speak, when they were in the mill and when the lend-lease proposition came up that they could decide either to buy them

or leave them, there was a great loss to be sustained on the cessation of lend-lease in some cases because goods were almost 100 percent completed and in those cases where they took the goods there was a great saving to the Government.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. It is perfectly clear that lend-lease ends on June 30, 1946. Nothing more can be sent after that except "goods for use in the prosecution of the present war," that having been indicated by the Congress last spring when we were talking about before VJ-day and before VE-day. There cannot be any pipe-line agreements, any of these so-called 3-C agreements unless they were made before VE-day because it had to be made during the present war. In addition to that, the agreement had to provide for payment for the goods.

Can the gentleman tell us whether the hearings show that pipe-line agreements have been made since VJ-day? If they have been, it seems to me they are contrary to law.

Mr. DIRKSEN. I do not recall whether a statement of that fact appears in the hearings or not.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks.)

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes; I yield.

Mr. CASE of South Dakota. I would like to ask somebody to answer on the floor definitely whether this money for lend-lease operations contemplates delivering goods under the original lend-lease agreement as it was understood, or whether this money will be used to pay for goods delivered under a sales agreement in harmony with the so-called 3 (c) paragraph.

Mr. HOFFMAN. Will someone on the majority side in charge of the bill answer that question, please? Apparently nobody over there knows the answer.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from New York.

Mr. TABER. Those contracts would not have too much bearing upon this appropriation because there is a margin in here for the enormous, extravagant expenditures on obligations to be incurred subsequent to January 1. They would have plenty of money by cutting out this additional \$200,000,000 and still get by with everything they need.

Mr. HOFFMAN. Mr. Chairman, the remarks made by the gentleman from Illinois [Mr. DIRKSEN] at least cleared up one point in my mind. One of my constituents has been trying to get hardwood flooring for the last 8 months, and I have been unable to find out why he could not get it. The departments down below would not tell me. The mills said they had a ceiling price on it and they could sell the rough lumber for more

than the finished hardwood flooring would bring, so I supposed they were not making it. Now I am happy to pass the information along to my constituent that 18,000,000 board feet of that hardwood lumber went overseas. I wonder if the gentleman could tell me where it went?

Mr. DIRKSEN. Mr. Chairman, if the gentleman will yield, 22,000,000 feet have already been delivered, and 18,000,000 feet are still to be delivered.

Mr. HOFFMAN. It is still going?

Mr. DIRKSEN. Yes.

Mr. HOFFMAN. Well, then, that will make my constituent happy, or will it?

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Idaho.

Mr. DWORSHAK. I am receiving complaints from farmers in my State who are unable, under the priority system, to get a few boards with which to repair their machinery so that they can produce more food.

Mr. HOFFMAN. The OPA will fix that for you if and when we put it out of business.

Mr. DWORSHAK. And lumber is now being shipped overseas to Russia and other foreign countries.

Mr. HOFFMAN. I know I have some maple trees that I wanted to cut into flooring, but I could not get anybody to do it, either to cut it or haul it away to the mill. It is only 3 miles away. There is nobody to work in the mill to make it into flooring.

What I want to talk about, though, is this: While we are wandering all over the world trying to settle everybody's troubles, it might be well to take a look at home. I should not place too much reliance, if I was a member of the CIO or the PAC on what some Representative might say, because the CIO would not agree with what I thought, and being good PAC'ers would never agree to anything contrary to what they thought it ought to be.

ADVOCATING VIOLENCE

When goon squads seized possession of factories; drove women and men from their jobs; defied court orders; assaulted and beat innocent citizens; repeatedly violated the law, from the 1st day of January to the 10th day of June 1937, the national administration and the then Governor of Michigan condoned that civil rebellion by neglecting to enforce the law.

To enforce the laws, proclaimed the Governor of Michigan, would lead to bloodshed. He overlooked the fact that the goon squads imported from other cities and States were beating and shedding the blood of Michigan citizens who wanted to work.

That, you say, is all in the past and should be forgotten. Well it might be, were it not for the fact that today individuals and organizations, following communistic methods and procedure, are again advocating open defiance of the law, and the Congress of the United States fails to take action to force Federal authorities to enforce the law.

From the Philadelphia Record of March 3, 1946, published by one Julius David Stern, comes a news story, the caption of which, in large, blackface type,

reads: "Union aide urges labor defy law to wake up city."

In smaller type we find these words: "CIO official says people here are 'not mad enough.'"

The news story continues:

What Philadelphia needs is more outright defiance of law and order, Franz Daniel, Washington representative of the Industrial Union of Marine and Shipbuilding Workers (CIO), said here yesterday.

Daniel, former executive head of the CIO Political Action Committee in this city, addressed some 300 delegates to the Philadelphia regional conference on the Community in Action, at the Girls' High School, Seventeenth and Spring Garden Streets.

Obviously referring to the General Electric strike and the demands of teachers for higher pay, Daniel said that conferences on such disputes are likely to end in futility until the organizing power of defiance is understood.

RAPS NEWSPAPERS' ATTITUDE

"We are not mad enough," Daniel declared. "If three teachers went to jail it would be the greatest thing that ever happened to Philadelphia. You would find rallying behind them people from the really good parts of the community."

Accusing the newspapers of a holier-than-thou attitude in their editorials on the GE strike, Daniel said: "Until the time comes when people are willing to defy law and order for the sake of democracy, we are not going to change conditions."

More than 2 years ago, the House sent over to the other body the Hobbs bill, designed to end what was described by a United States Supreme Court Justice as highway robbery and extortion, but which the Court held was legal when practiced by members of a union.

The American people are waiting, not only for Congress to take effective action looking toward the enforcement of the laws, the protection of the citizen's right to work, but they are looking toward the north end of the Capitol building in Washington, wondering where lies buried the Hobbs bill; they are wondering who buried it and who is sitting on the grave.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, this is a very simple proposition. On VJ-day, in compliance with a directive from the President, all new lend-lease commitments of every character ceased. Lend-lease was at an end. Of course, at that time we had contracts for goods; goods in the pipe line; goods in the mill, which are considered in the pipe line, all of which involved obligations and losses to the Government if canceled. Immediately everything was discontinued except under the so-called 3 (c) agreements with respect to France, Belgium, and the Netherlands, which had to be carried out and which have been carried out. With that exception, all lend-lease deliveries ceased. Where we had goods in the pipe line and under contract, such goods were turned over to those who wanted to buy them for cash in advance or for notes payable in 30 years at 2½ percent.

It can be readily understood that with the large number of contracts uncompleted, the quantities of goods en route and under manufacture in the mills, involving a charge against the United States Government, the sale of these goods to foreign nations which

would pay for them was to the financial interest of our Government. We will save money by completing them.

That is all there is to it. There have been no new commitments and no new contracts since VJ-day.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The gentleman has had the benefit of the hearings and whatever discussion there was there, and knows where these various deliveries will be made of the pipe-line material. Would he say that in his judgment it is a good thing to complete the delivery on all of these goods to the particular countries that are involved and that are going to receive them?

Mr. CANNON of Missouri. I think we will save money by it. Let me read one paragraph from the report which I think should ease the minds of Members. Speaking of lend-lease, the report states:

This activity is being liquidated. No new commitments will be made. Unexpended funds are for discharging existing obligations, a goodly portion of which may yet be canceled. Settlements are being accelerated and the committee is advised that every effort is being made, in consequence of committee pressure, to liquidate all outstanding obligations as expeditiously as practicable.

Mr. CASE of South Dakota. The gentleman will agree with me that under the basic lend-lease law the United States could assert title to anything that was delivered under lend-lease.

Mr. CANNON of Missouri. Right.

Mr. CASE of South Dakota. Does the gentleman say it is better to make these deliveries abroad than to keep these supplies in the United States, bearing in mind that the supplies in some instances are military material and in some cases lumber and things of that sort?

Mr. CANNON of Missouri. The gentleman is covering a great deal of territory. I will say that as far as the committee was able to ascertain no goods are being delivered the delivery of which is contrary to the interest of the United States Government.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division, there were—ayes 64, noes 60.

Mr. CANNON of Missouri. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. CANNON of Missouri and Mr. TABER as tellers.

The Committee again divided; and the tellers reported that there were—ayes 69, noes 67.

So the amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. JARMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill

(H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. CANNON of Missouri. Mr. Speaker, I ask for a separate vote on the amendment decreasing the amount of funds for lend-lease.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gross.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 2, line 22, strike out "\$1,080,000,000" and insert "\$1,280,000,000."

The SPEAKER. The question is on agreeing to the amendment.

Mr. CANNON of Missouri. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 143, nays 171, answered "present" 1, not voting 111, as follows:

[Roll No. 54]

YEAS—143

Adams	Goodwin	McGregor
Andersen,	Graham	McMillen, Ill.
H. Carl	Grant, Ind.	Martin, Iowa
Anderson, Calif.	Griffiths	Martin, Mass.
Angell	Gross	Mathews
Arnold	Gwinn, N. Y.	Merrow
Auchincloss	Gwynne, Iowa	Michener
Bates, Mass.	Hagen	Mundt
Beall	Hale	Murray, Wis.
Bender	Hall	O'Hara
Bennet, N. Y.	Edwin Arthur	O'Konski
Bennett, Mo.	Hall	Phillips
Bishop	Leonard W.	Pittenger
Blackney	Halleck	Ploeser
Bradley, Mich.	Hancock	Ramey
Brehm	Harness, Ind.	Rankin
Brown, Ohio	Henry	Reese, Tenn.
Brumbaugh	Herter	Reed, Ill.
Buck	Heseltan	Rees, Kans.
Buffett	Hess	Robison, Ky.
Butler	Hill	Rockwell
Byrnes, Wis.	Hinshaw	Rodgers, Pa.
Campbell	Hocven	Rogers, Mass.
Carlson	Hoffman	Schwabe, Okla.
Case, N. J.	Hope	Scrivner
Case, S. Dak.	Horan	Shafer
Chenoweth	Howell	Sharp
Chiperfield	Hull	Short
Church	Jenkins	Simpson, Ill.
Clason	Jennings	Simpson, Pa.
Clevenger	Jensen	Smith, Maine
Clippinger	Johnson, Calif.	Smith, Ohio
Cole, Mo.	Johnson, Ill.	Springer
Corbett	Johnson, Ind.	Stefan
Cunningham	Jones	Stevenson
Curtis	Jonkman	Sumner, Ill.
D'Ewart	Judd	Taber
Dirksen	Kean	Talle
Dworshak	Kearney	Thomas, N. J.
Ellsworth	Kilburn	Tibbott
Elsaesser	Kinzer	Towe
Engel, Mich.	Kunkel	Vorys Ohio
Fenton	Landis	Vursell
Fulton	Larcade	Welch
Gamble	LeCompte	Welch
Gathings	LeFevre	Wigglesworth
Gearhart	Lemke	Winter
Gerlach	Lewis	Wolcott
Gillicsple	McConnell	Woodruff
Gillette	McDonough	
Gillie	McGehee	

NAYS—171

Abernethy	Gossett	Norrell
Allen, La.	Granahan	O'Brien, Ill.
Almond	Granger	O'Brien, Mich.
Andrews, Ala.	Grant, Ala.	O'Neal
Bailey	Green	Outland
Barden	Gregory	Pace
Barrett, Pa.	Hare	Patman
Bates, Ky.	Harless, Ariz.	Patterson
Beckworth	Harris	Peterson, Fla.
Bell	Hart	Philbin
Bicmillier	Havener	Pickett
Bland	Hays	Poage
Bloom	Healy	Powell
Bonner	Hébert	Price, Ill.
Boren	Hedrick	Priest
Boykin	Hendricks	Rabaut
Bradley, Pa.	Hobbs	Randolph
Brooks	Hook	Resa
Brown, Ga.	Huber	Richards
Bunker	Izac	Riley
Burch	Jackson	Rivers
Cannon, Fla.	Jarman	Robertson, Va.
Cannon, Mo.	Johnson	Rooney
Carnhan	Luther A.	Rowan
Celler	Johnson	Russell
Clements	Lyndon B.	Ryder
Cochran	Johnson, Okla.	Sabath
Coffe	Kee	Sadowski
Combs	Kefauver	Sasser
Cooper	Kelly, Ill.	Savage
Courtney	Keogh	Sheppard
Cravens	Kerr	Sikes
Crosser	Kilday	Slaughter
D'Alesandro	King	Smith, Va.
De Lacy	Kirwan	Somers, N. Y.
DeLaney	Klein	Spence
James J.	Kopplemann	Starkey
DeLaney	Lane	Stewart
John J.	Lanham	Stigler
Domengeaux	Lea	Sullivan
Doughton, N. C.	Link	Thom
Douglas, Ill.	Ludlow	Thomas, Tex.
Doyle	Lyle	Thomason
Drewry	Lynch	Torrens
Durham	McCormack	Trimble
Earthman	McMillan, S. C.	Voorhls, Calif.
Elliott	Madden	Walter
Engle, Calif.	Mahon	Wasielewski
Ervin	Manasco	Weaver
Felghan	Marcantonio	West
Fernandez	May	Whitten
Flood	Miller, Calif.	Whittington
Folger	Mills	Wickersham
Forand	Monroney	Winstead
Gallagher	Morgan	Woodhouse
Gary	Morrison	Worley
Geelan	Murdock	Zimmerman
Gordon	Murphy	
Gore	Murray, Tenn.	

ANSWERED "PRESENT"—1

Dingell

NOT VOTING—111

Allen, Ill.	Fellows	Patrick
Andersen	Fisher	Peterson, Ga.
August H.	Flannagan	Pfeifer
Andrews, N. Y.	Fogarty	Plumley
Arcnds	Fuller	Price, Fla.
Baldwin, Md.	Gardner	Quinn, N. Y.
Baldwin, N. Y.	Gavin	Rabin
Barrett, Wyo.	Gibson	Rains
Barry	Gifford	Rayfiel
Bolton	Gorski	Reed, N. Y.
Bryson	Hand	Rich
Buckley	Hartley	Rizley
Bulwinkle	Heffernan	Robertson,
Burgin	Hoch	N. Dak.
Byrne, N. Y.	Holfield	Robinson, Utah
Camp	Holmes, Mass.	Roe, Md.
Canfield	Holmes, Wash.	Roe, N. Y.
Chapman	Keefe	Rogers, Fla.
Chelf	Kelley, Pa.	Rogers, N. Y.
Clark	Knutson	Schwabe, Mo.
Cole, Kans.	LaFollette	Sheridan
Cole, N. Y.	Latham	Smith, Wis.
Colmer	Lesinski	Sparkman
Cooley	Luce	Stockman
Cox	McCowan	Summers, Tex.
Crawford	McGlinchey	Sundstrom
Curley	McKenzie	Talbot
Daughton, Va.	Maloney	Tarver
Davis	Mankin	Taylor
Dawson	Mansfield,	Tolan
Dolliver	Mont.	Traynor
Dondero	Mansfield, Tex.	Vinson
Douglas, Calif.	Mason	Wadsworth
Eaton	Miller, Nebr.	White
Eberhart	Neely	Wilson
Ellis	Norblad	Wolfenden, Pa.
Elston	Norton	Wolverton, N. J.
Fallon	O'Toole	Wood

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Fuller for, with Mr. Gorski against.
 Mr. August H. Andresen for, with Mr. Sheridan against.
 Mr. Ellis for, with Mr. Flannagan against.
 Mr. Taylor for, with Mr. McGlinchey against.
 Mr. Knutson for, with Mr. Dingell against.
 Mr. Robertson of North Dakota for, with Mr. Roe of Maryland against.
 Mr. Schwabe of Missouri for, with Mr. Pfeiffer against.
 Mr. Latham for, with Mr. Dawson against.
 Mr. Allen of Illinois for, with Mrs. Douglas of California against.
 Mr. Canfield for, with Mr. Byrne of New York against.
 Mr. Arends for, with Mr. Holifield against.
 Mr. Dondero for, with Mr. Roe of New York against.
 Mr. Cole of New York for, with Mr. Kelley of Pennsylvania against.
 Mr. Eaton for, with Mr. Heffernan against.
 Mr. Crawford for, with Mr. Rayfiel against.
 Mr. Fellows for, with Mr. Eberhart against.
 Mr. Gifford for, with Mr. Barry against.
 Mr. Hartley for, with Mr. Sparkman against.
 Mr. Keefe for, with Mr. Quinn of New York against.
 Mr. Holmes of Massachusetts for, with Mr. Curley against.
 Mr. Miller of Nebraska for, with Mr. O'Toole against.
 Mr. Holmes of Washington for, with Mr. Baldwin of Maryland against.
 Mr. Reed of New York for, with Mr. Cooley against.
 Mr. Wilson for, with Mr. Bulwinkle against.
 Mr. Rich for, with Mr. Gardner against.
 Mr. Wolfenden of Pennsylvania for, with Mrs. Norton against.
 Mr. Hand for, with Mr. Rains against.

General pairs until further notice:

Mr. Vinson with Mr. Mason.
 Mr. Tarver with Mr. Plumley.
 Mr. Hoch with Mr. Rizley.
 Mr. Bryson with Mr. Smith of Wisconsin.
 Mr. Peterson of Georgia with Mr. Stockman.
 Mr. Traynor with Mr. Talbot.
 Mr. Mansfield of Texas with Mr. Wadsworth.
 Mr. Buckley with Mr. Gavin.
 Mr. Colmer with Mr. Wolverton of New Jersey.
 Mr. Robertson of Virginia with Mr. Dolliver.
 Mr. Cox with Mr. Baldwin of New York.
 Mr. Neely with Mr. Elston.
 Mr. Rogers of New York with Mr. Barrett of Wyoming.
 Mr. Price of Florida with Mrs. Luce.

Mr. DINGELL. Mr. Speaker, I have a live pair with my colleague the gentleman from Minnesota [Mr. KNUTSON]. If he were present, he would vote "aye." I voted "nay." I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the Clerk may be authorized to change totals, where necessary.

17. 21.

14.



79TH CONGRESS
2^D SESSION

H. R. 5604

IN THE SENATE OF THE UNITED STATES

MARCH 14 (legislative day, MARCH 5), 1946

Read twice and referred to the Committee on Appropriations

AN ACT

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the appropriations and contractual authorizations of the
4 departments and agencies available in the fiscal year 1946,
5 and prior year unreverted appropriations, are hereby reduced
6 in the sums hereinafter set forth, such sums to be carried to
7 the surplus fund and covered into the Treasury immediately
8 upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-
2 DENT, INDEPENDENT OFFICES, AND EXECU-
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT
5 OFFICE FOR EMERGENCY MANAGEMENT

6 National War Labor Board:

7 Salaries and expenses, \$1,600,000.

8 Office of Scientific Research and Development:

9 Salaries and expenses, \$555,000.

10 War Shipping Administration:

11 Revolving fund, \$375,000,000.

12 Maritime training fund, \$2,000,000.

13 Marine and war risk insurance fund, revolving fund,
14 \$60,000,000.

15 Office of Censorship: Salaries and expenses, \$415,400.

16 Petroleum Administration for War:

17 Salaries and expenses, \$200,000.

18 In all, Office for Emergency Management, \$439,-
19 770,400.

20 EMERGENCY FUNDS APPROPRIATED TO THE
21 PRESIDENT

22 Defense aid—lend-lease, \$1,080,000,000, to be deducted
23 from such of the categories specified in the various appro-
24 priation acts as may be determined by the Secretary of State
25 or such official as he shall designate.

INDEPENDENT OFFICES

Employees' Compensation Commission: Employees' compensation fund, \$1,300,000.

United States Maritime Commission: Construction fund, Act of June 29, 1936, revolving fund, \$300,068,000.

FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$125,000.

FEDERAL WORKS AGENCY

Office of the Administrator:

War public works (community facilities), \$5,750,000.

Liquidation of Work Projects Administration, 1944, \$120,000.

Work relief in Puerto Rico and the Virgin Islands, 1944, \$1,000,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$75,000.

Public Roads Administration: Flight strips (national defense), \$56,732, and such additional amount as may remain unobligated.

In all, independent offices, \$308,494,732.

1 EXECUTIVE DEPARTMENTS

2 [Non-War]

3 DEPARTMENT OF AGRICULTURE

4 Emergency supplies for Territories and possessions,
5 \$5,000,000.

6 DEPARTMENT OF THE INTERIOR

7 Office of Fishery Coordination: Salaries and expenses,
8 \$12,000.

9 Emergency funds appropriated to the President:

10 Emergency fund for the President, national defense
11 (allotment to Interior, Territories and island posses-
12 sions), \$1,391,143.

13 DEPARTMENT OF JUSTICE

14 Legal activities and general administration: Salaries and
15 expenses, Lands Division, \$300,000.

16 In all, executive departments, \$6,703,143.

17 In all, title I, \$1,834,968,275.

18 Miscellaneous Provisions, Title I

19 REDUCTIONS IN CONTRACTUAL AUTHORIZATIONS

20 Contractual authorizations of the departments and agen-
21 cies available in the fiscal year 1946 are hereby reduced in
22 the sums hereinafter set forth:

23 INDEPENDENT OFFICES

24 United States Maritime Commission: Construction fund,
25 Act June 29, 1936, revolving fund, \$460,000,000.

1 Federal Works Agency, Public Buildings Administra-
2 tion: Construction of buildings in the District of Columbia,
3 \$3,673,001.

4 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE
5 EXPENSES

6 Limitations on amounts from funds of corporations and
7 other agencies for administrative expenses are hereby re-
8 duced in the following sums:

9 EXECUTIVE OFFICE OF THE PRESIDENT

10 Office for Emergency Management, Foreign Economic
11 Administration:

12 Rubber Development Corporation, \$160,000.

13 U. S. Commercial Company, \$250,000.

14 INDEPENDENT OFFICES

15 Federal Loan Agency, Reconstruction Finance Corpo-
16 ration:

17 Administrative expenses, Reconstruction Finance
18 Corporation and its affiliated organizations, \$7,000,000.

19 CORPORATE FUNDS TO BE TRANSFERRED TO THE

20 TREASURY

21 EXECUTIVE OFFICE OF THE PRESIDENT

22 Office for Emergency Management:

23 Office of Inter-American Affairs: The Director of
24 the Office of Inter-American Affairs is hereby directed
25 to deposit in the Treasury of the United States as mis-

1 cellaneous receipts the following sums representing ex-
2 cess funds of corporations created by the Coordinator of
3 Inter-American Affairs under authority of law:

4 Institute of Inter-American Transportation,
5 \$171,890.

6 Inter-American Navigation Corporation, \$175,000.

7 Prencinradio, Incorporated, \$100,000.

8 **TITLE II—MILITARY ESTABLISHMENT**

9 Office of Secretary of War:

10 Expediting Production of Equipment and Supplies
11 for National Defense, 1940-1946, \$20,545,000.

12 General Staff Corps:

13 Special Field Exercises, Army, 1942-1946,
14 \$2,413,868.

15 Adjutant General's Department:

16 Command and General Staff School, Fort Leaven-
17 worth, Kansas, 1942-1946, \$20,000.

18 Finance Department:

19 Finance Service, Army, 1942-1946, \$66,140,457,
20 and subappropriations under this head are hereby de-
21 creased as follows: (1) Pay of the Army, \$61,435,757;
22 (2) expenses of courts martial, \$4,700; (3) apprehen-
23 sion of deserters, \$450,000; (4) Finance Service,
24 \$4,000,000; and (5) claims for damages due to loss or

destruction of property, or personal injury, or death,
\$250,000.

Quartermaster Corps:

Quartermaster Service, Army, 1942-1946, sub-
appropriation "Welfare of enlisted men", \$5,400,000.

Transportation Corps:

Transportation Service, Army, 1945-1946,
\$80,000,000.

Signal Corps:

Signal Service of the Army, 1942-1946, \$85,-
000,000.

Air Corps:

Air Corps, Army 1942-1946, \$1,000,000,000.

Medical Department:

Medical and Hospital Department, Army, 1942-
1946, \$27,615,000.

Corps of Engineers:

Engineer Service, Army, 1942-1946, subappropri-
ation "Engineer Service", \$50,000,000, and no part of
such subappropriation shall be available after February
25, 1946, for acquiring land or building permanent struc-
tures within the continental limits of the United States,
except structures not costing more than \$20,000.

Repair of arsenals, Army, 1942-1946, \$661,905.

1 Repair of arsenals, emergency construction, no year,
2 \$480.

3 Acquisition of land, Panama, Army, no year,
4 \$395,593.

5 Acquisition of land, Buchanan, Puerto Rico, no year,
6 \$8,284.

7 Acquisition of land, Act June 26, 1940, no year,
8 \$13,254.

9 Acquisition of land for military purposes, national
10 defense, no year, \$360,941.

11 Acquisition of land, San Bernardino, Kern, Los
12 Angeles Counties, California, no year, \$1,470.

13 Acquisition of land, Ogden Ordnance Depot, Utah,
14 no year, \$60,420.

15 Sites for military purposes, no year, \$10,065.

16 Construction of buildings, utilities, and appurtenances
17 at military posts, no year, \$12,533,633.

18 Office buildings and appurtenances, War Depart-
19 ment, Arlington County, Virginia, no year, \$157.

20 Buildings for United States representatives, Philip-
21 pine Islands, no year, \$304.

22 Ordnance Department:

23 Ordnance Service and Supplies, Army, 1942-1946,
24 \$201,035,000.

1 Chemical Warfare Service:

2 Chemical Warfare Service, Army, 1942-1946,
3 \$21,600,000.

4 Special Service Schools:

5 Special Service Schools, Army, 1942-1946,
6 \$382,500, and subappropriations under this head are
7 hereby decreased as follows: (1) Infantry School,
8 \$181,200; (2) Cavalry activities, \$30,300; (3)
9 Field Artillery activities, \$130,500; and (4) Coast
10 Artillery activities, \$40,500.

11 Armored force:

12 Instruction in armored force activities, 1942-1946,
13 \$83,000.

14 Seacoast defenses:

15 Seacoast defenses, general, 1942-1946, \$14,683,000,
16 and no part of such appropriation shall be available
17 after February 25, 1946, for the acquisition of land.

18 Seacoast defenses, general, no year, \$9,698,373.

19 Seacoast defenses, no year, \$708,225.

20 Seacoast defenses, Insular Departments, no year,
21 \$50,456.

22 Seacoast defenses, Panama Canal, no year, \$622,470.

23 United States Military Academy: Pay of Military
24 Academy, 1942-1946, \$126,272.

1 Citizens' Military Training:

2 Military supplies and equipment for schools and
3 colleges, 1942-1946, \$6,083.

4 National Board for Promotion of Rifle Practice, Army:

5 Promotion of rifle practice, 1942-1946, \$17,500.

6 Inter-American Relations, War Department:

7 Inter-American Relations, War Department, 1943-
8 1946, \$30,000.

9 National defense activities, War Department, 1942-
10 1946, \$2,659.

11 Office of the Secretary:

12 Contingent expenses, War Department, 1942-1946,
13 \$1,200,000.

14 Printing and binding, War Department, 1942-1946,
15 \$4,500,000.

16 Emergency funds appropriated to the President:

17 Emergency fund for the President, national defense
18 (allotment to War), 1942-1946, \$10,000,000.

19 In all, title II, \$1,615,926,369.

20 TITLE III—NAVAL ESTABLISHMENT

21 Office of the Secretary:

22 Naval Research Laboratory, 1946, \$75,000.

23 Ocean and lake surveys, Navy:

24 Fiscal year 1944, \$48,925.

25 Fiscal year 1945, \$7,953.

1 Bureau of Naval Personnel:

2 Naval Training Station, Lake Pend Oreille, Idaho, 1944,
3 \$11,486.

4 Naval Training Station, Port Deposit, Maryland, 1946,
5 \$200,000.

6 Libraries, Navy, 1945, \$171,373.

7 Welfare and Recreation, Navy:

8 Fiscal year 1945, \$1,968,936.

9 Fiscal year 1946, \$2,000,000.

10 Naval Reserve Officers' Training Corps:

11 Fiscal year 1944, \$8,608.

12 Fiscal year 1945, \$62,595.

13 Fiscal year 1946, \$250,000.

14 Naval prison farms and prison personnel (receipt limi-
15 tation), 1944, \$38.

16 Bureau of Ships:

17 Maintenance, Bureau of Ships:

18 Fiscal year 1942, \$3,090,591.

19 Fiscal year 1943, \$53,724,957.

20 Fiscal year 1946, \$30,000,000: *Provided*, That this
21 appropriation shall be available for continuing the pur-
22 poses of the appropriation "Defense installations on mer-
23 chant vessels, Navy", when such latter appropriation is
24 exhausted.

1 Bureau of Ordnance:

2 Ordnance and ordnance stores, Navy:

3 Fiscal year 1945, \$205,247,233.

4 Fiscal year 1946, \$100,000,000.

5 Bureau of Supplies and Accounts:

6 Pay, subsistence, and transportation, Navy, 1944,
7 \$2,763,960.

8 Pay and subsistence of naval personnel, 1946, \$400,-
9 000,000.

10 Maintenance, Bureau of Supplies and Accounts:

11 Fiscal year 1944, \$5,000,000.

12 Fiscal year 1946, \$15,000,000.

13 Transportation of things, Navy, 1946, \$150,000,000.

14 Fuel and transportation, Navy, 1945, \$20,000,000.

15 Naval Stock Fund, \$275,000,000.

16 Bureau of Medicine and Surgery:

17 Medical Department, Navy:

18 Fiscal year 1944, \$2,372,599.

19 Fiscal year 1945, \$7,000,000.

20 Fiscal year 1946, \$17,000,000.

21 Bureau of Yards and Docks:

22 Maintenance, Bureau of Yards and Docks:

23 Fiscal year 1944, \$1,500,000.

24 Fiscal year 1945, \$4,000,000.

25 Fiscal year 1946, \$100,000.

1 Public Works, Bureau of Yards and Docks, \$190,-
2 000,000, and the contractual authorization for "Public Works,
3 Bureau of Yards and Docks", available in the fiscal year
4 1946, is hereby further reduced in the sum of \$5,000,000,
5 applicable to projects within the continental limits of the
6 United States, and neither the appropriation nor contractual
7 authorization under this head shall be available after Feb-
8 ruary 25, 1946, for the acquisition of land, except in pur-
9 suance of a specific appropriation.

10 Bureau of Aeronautics:

11 Aviation, Navy:

12 Fiscal year 1943, \$265,000,000.

13 Fiscal year 1943-1944, \$10,000,000.

14 Fiscal year 1944, \$260,000,000.

15 Fiscal year 1946, \$215,887,000, and subappro-
16 priations under this head are hereby decreased as fol-
17 lows: (1) New construction and procurement of aircraft
18 and equipment, spare parts, and so forth, from
19 "\$128,116,900" to "\$94,737,200"; (2) replacement of
20 navigational and radio equipment for aircraft in service,
21 and so forth, from "\$44,934,000" to "\$34,917,200";
22 and (3) maintenance, repair, and operation of aircraft
23 factory, air stations, and so forth, from "\$800,374,950"
24 to "\$627,884,450".

1 Marine Corps:

2 General expenses, Marine Corps:

3 Fiscal year 1944, \$10,000,000.

4 Fiscal year 1945, \$10,000,000.

5 Increase and replacement of naval vessels:

6 Increase and replacement of naval vessels, construc-
7 tion and machinery, \$602,491,000.

8 Increase and replacement of naval vessels, armor,
9 armament and ammunition, \$338,848,000.

10 Increase and replacement of naval vessels, emer-
11 gency construction, \$20,387,000.

12 Repair facilities, Navy:

13 Repair facilities, Navy, \$18,281,000.

14 Coast Guard:

15 Pay and allowances, Coast Guard:

16 Fiscal year 1944, \$11,816,086.

17 Fiscal year 1945, \$5,940,838.

18 Fiscal year 1946, \$7,000,000.

19 General expenses, Coast Guard:

20 Fiscal year 1944, \$136,250.

21 Fiscal year 1945, \$48,286.

22 Fiscal year 1946, \$1,500,000.

23 Retired pay, former Lighthouse Service, Coast Guard,
24 1946, \$41,000.

1 Salaries, Merchant Marine Inspection, Coast Guard,
2 1945, \$5,985.

3 NAVY DEPARTMENT

4 Salaries:

5 Salaries, Compensation Board, 1944, \$109.

6 Salaries, Bureau of Naval Personnel, 1945; \$577.

7 Salaries, Hydrographic Office:

8 Fiscal year 1944, \$65,119.

9 Fiscal year 1945, \$30,461.

10 Salaries, Bureau of Ships, 1945, \$7.

11 Salaries, Bureau of Supplies and Accounts, 1945,
12 \$33,299.

13 Salaries, Bureau of Yards and Docks, 1945, \$153.

14 Contingent expenses:

15 Contingent expenses, Navy Department, 1945,
16 \$106,000.

17 The amount which may be transferred to this appro-
18 priation from other appropriations contained in the Naval
19 Appropriation Act, 1946; is hereby decreased from "\$5,500,-
20 000" to "\$4,000,000".

21 Printing and binding, Navy Department, 1945,
22 \$2,118,500.

23 The amount which may be transferred to this appro-
24 priation from other appropriations contained in the Naval

1 Appropriation Act, 1946, is hereby decreased from “\$18,-
2 500,000” to “\$8,500,000”.

3 Contingent and miscellaneous expenses, Hydrographic
4 Office:

5 Fiscal year 1945, \$52,000.

6 Fiscal year 1946, \$600,000.

7 TRANSFER OF APPROPRIATIONS

8 Transfers of the amounts hereinafter set forth shall be
9 made from the appropriation “Aviation, Navy, 1946,” to
10 the following appropriations:

11 Navy War College, 1946, \$37,000;

12 Naval Training Station, Newport, 1946, \$907,-
13 000;

14 Pay, Naval Academy, 1946, \$159,000;

15 Naval Home, 1946, \$12,640;

16 Pay, subsistence and transportation, 1943, \$4,500,-
17 000;

18 Maintenance, Bureau of Supplies and Accounts,
19 1943, \$350,000;

20 Maintenance, Bureau of Supplies and Accounts,
21 1945, \$29,364,000;

22 Fuel and transportation, Navy, 1944, \$1,415,000;

23 Salaries, Office of the Commandant, United States
24 Coast Guard, 1946, \$265,000;

25 Civilian employees, Coast Guard, 1946, \$395,000;

Salaries, Merchant Marine Inspection, 1946,
\$72,000;

In all, \$37,476,640.

NAVAL STOCK ACCOUNT AND FUND

Effective April 1, 1946, the limitation, specified in the First Supplemental National Defense Appropriation Act of 1944, on the value of stock in the "Naval Stock Account" plus outstanding obligations under the "Naval Stock Fund" shall be reduced from \$2,250,000,000 to \$1,650,000,000 and thereafter said stock and obligations shall not exceed at any time said latter amount.

In all, title III, \$3,266,992,924.

GENERAL PROVISION

The War and Navy Departments are hereby relieved from reimbursing each other from the appropriations of the "Military Establishment" and the appropriations of the "Navy Department and the Naval Service" for the amounts which on the date of this act may be owing by either Department to the other (exclusive of working fund accounts) for materials, supplies, equipment, or services furnished to either of said departments by the other, prior to September 1, 1945. The department furnishing such materials, supplies, equipment, and services shall be responsible for the expenses arising in connection with the termination

1 of contracts or settlement of the accounts in connection
2 therewith.

3 SEC. 301. This Act may be cited as the "Second Sup-
4 plemental Surplus Appropriation Rescission Act, 1946".

Passed the House of Representatives March 13, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

79TH CONGRESS
2^D SESSION

H. R. 5604

AN ACT

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

MARCH 14 (legislative day, MARCH 5), 1946

Read twice and referred to the Committee on
Appropriations

CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued April 4, 1946
For actions of April 3, 1946

CONTENTS

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Farm machinery.....4	Nomination.....1	Trade, foreign.....16
Farm prices.....22	Parity prices.....9	Transportation.....5
	Personnel.....7,20	Under Secretary.....1

HIGHLIGHTS: Received nomination of N. E. Dodd to be Under Secretary of Agriculture. Received letter from Grange opposing minimum-wage bill and recommending amendments to tie wages to cost-of-living, to continue exemption of certain processing plants, and to authorize Secretary of Agriculture to define "area of production". Senate committee reported 2nd appropriation rescission bill. House debated Federal pay bill. Rep. Cooley introduced a revised version of his farm credit bill.

SENATE

1. **NOMINATION.** Received the nomination of N. E. Dodd to be Under Secretary of Agriculture (p. 3097).
2. **LABOR STANDARDS.** Continued debate on S. 1349, the minimum-wage bill (pp. 3066-7, 3095-7). Sen. Capper, Kans., inserted a letter from Fred Bailey, of the Grange, opposing the bill in its present form and recommending that it be amended to provide for a minimum of 55 cents an hour, to be tied to the cost-of-living index, to continue the exemption of certain processing plants, and to delegate to the Secretary of Agriculture the authority to define "area of production" (pp. 3066-7).
3. **SECOND APPROPRIATION RESCISSION BILL.** The Appropriations Committee reported with amendments this bill, H. R. 5604, which includes an item relating to emergency supplies for territories and possessions (S. Rept. 1103) (p. 3067).
4. **PRICE CONTROL.** Sen. Wherry, Nebr., criticized OPA regulations regarding clothing, farm machinery, etc. (pp. 3068-9).
5. **ST. LAWRENCE WATERWAY; ELECTRIFICATION.** Sen. Aiken inserted his correspondence with a power company favoring this project as a means of obtaining more electric power (pp. 3070-1).
6. **CLAIMS.** Received appropriation estimates for payment of various types of claims (S. Docs. 158, 159, 160, 161, and 162). To Appropriations Committee. (p. 3066.)

HOUSE

7. **FEDERAL PAY BILL.** Began debate on this bill, H. R. 5939, to provide an 18½% increase in Federal salaries (pp. 3099-3122).
During the discussion Rep. Rees, Kans., explained an amendment he intends

to propose to provide for increases on a graduated scale (pp. 3110-1) and Rep. Jackson, Wash., explained the basis for the 18 $\frac{1}{2}$ % increase as the increased cost of living, increased wage levels in industry, and the loss of overtime pay (pp. 3111-3).

8. D. C. APPROPRIATION BILL. The Appropriations Committee reported this bill, H. R. 5990 (H. Rept. 1867) (pp. 3122, 3127).
9. FARM LABOR; PARITY PRICES. Rep. Stigler, Okla., spoke favoring the inclusion of farm labor in the parity formula (pp. 3123-5).
10. FLOOD CONTROL. Received from the War Department a supplemental appropriation estimate of \$1,610,000 for rivers and harbors (p. 3126).
11. PRICE CONTROL. Received from the National Shrimp Cannery Association a petition requesting that shrimp be eliminated from price control (p. 3127).

BILLS INTRODUCED

12. FARM CREDIT. H. R. 5991, by Rep. Cooley, N. C., to simplify and improve credit services to farmers and promote farm ownership by abolishing certain agricultural lending agencies and functions, by transferring assets to the Farmers' Home Corporation, by enlarging the powers of the Farmers' Home Corporation, by authorizing Government insurance of loans to farmers, by creating preferences for loans and insured mortgages to enable veterans to acquire farms, by providing additional specific authority and directions with respect to the liquidation of resettlement projects and rural rehabilitation projects for resettlement purposes. To Agriculture Committee. (p. 3127.)
H. R. 5992, by Rep. Kilday, Tex., to amend section 500 (d) of the Servicemen's Readjustment Act of 1944, which section provides that loans guaranteed under the Act may be made by any Federal Land Bank, national bank, private bank, building and loan association, etc. that is subject to examination and supervision by an agency of the U. S. or any State. (p. 3127.) To World War Veterans' Legislation Committee.
13. ADMINISTRATIVE PROCEDURE. H. R. 5988, by Rep. Walter, Pa., to improve the administration of justice by prescribing fair administrative procedure. To Judiciary Committee. (p. 3127.)
14. POSTAGE. H. R. 5993, by Rep. O'Brien, Mich., to provide for the extension of the air-mail postal service. To Post Office and Post Roads Committee. (p. 3127.)
15. INFLATION. H. Res. 582 and 583, by Reps. Smith, Maine, and Woodhouse, Conn., creating a select committee of the House to study and investigate the cost of living. To Rules Committee. (p. 3127.)

ITEMS IN APPENDIX

16. FOREIGN TRADE. Speech in the House by Rep. Curtis, Nebr., discussing his amendment to the Philippine trade bill to fix a minimum quota on Philippine sugar (pp. A1979-80).
17. PRICE CONTROL. Rep. Merrow, N. H., inserted an American Farm Bureau Federation resolution opposing subsidies and favoring the extension of price controls for one year (pp. A1989-90).
Rep. Keefe, Wis., inserted a constituent's article, "The Politics of OPA" (pp. A1998-9).

Standards Act of 1938, and for other purposes. I am in entire sympathy with the stand taken by this organization, and I ask unanimous consent to present the statement for appropriate reference and printing in the RECORD.

There being no objection, the statement was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

THE NATIONAL GRANGE,
Washington, D. C., March 27, 1946.

DEAR SENATOR: Farmers are watching with great concern congressional consideration of S. 1349, the bill to amend the Fair Labor Standards Act. That interest prompts the National Grange to state briefly the prevailing view of our more than 750,000 members.

We are opposed to the bill in its present form for the reasons given in testimony before the House Committee on Labor on August 23, 1945. We urged them that the bill be amended to provide for a minimum of 55 cents an hour and that the minimum be tied to the Bureau of Labor cost-of-living index, moving up or down with that index.

The committee draft of S. 1349 retains the exemption for farm workers, as it should, but largely nullifies that exemption by deleting sections 7 (c) and 13 (a) (10), which give similar exemptions to first processing plants located in areas competing directly with farmers for labor.

The National Grange urges that you give careful consideration to retaining sections 7 (c) and 13 (a) (10) in the Fair Labor Standards act. We base that request on the following facts:

1. Removal of exemption for agricultural processing plants would upset the competitive wage relationship existing between rural and urban workers.

2. Farm wage rates are closely competitive with those of processing plants and other local employers.

3. Inclusion of agricultural plant, through elimination of exemptions, would raise farm produce costs and result either in lower net return to producers or higher prices to consumers.

4. During any depression period many of these plants, now operating on a small margin and with low reserves, would be forced out of business by a high fixed wage scale.

We believe in the principles of an adequate wage scale, but contend that any attempt to hold wages rigid would adversely affect our entire economy. Prices of agricultural products fluctuate more widely than do prices of industrial products.

The Administrator of the act has objected to defining the "area of production." We suggest that the Congress delegate authority for making that definition to the Secretary of Agriculture.

Sincerely yours,

FRED BAILEY,
Legislative Counsel.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McKELLAR, from the Committee on Appropriations:

H. R. 5604. A bill reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes; with amendments (Rept. No. 1103).

By Mr. FULBRIGHT, from the Committee on Immigration:

S. 875. A bill for the relief of Mercy Duke Boehl; without amendment (Rept. No. 1104).

By Mr. YOUNG, from the Committee on Immigration:

H. R. 1350. A bill to record the lawful admission to the United States for permanent residence of Nora R. Neville; without amendment (Rept. No. 1105).

By Mr. FERGUSON, from the Committee on Immigration:

H. R. 1356. A bill for the relief of Elias Baumgarten; without amendment (Rept. No. 1106).

By Mr. ELLENDER, from the Committee on Claims:

S. 1286. A bill for the relief of Sam Bechtold; with an amendment (Rept. No. 1117);

S. 1747. A bill for the relief of John C. Spargo; with amendments (Rept. No. 1118);

H. R. 2288. A bill for the relief of Columbus Thomas; without amendment (Rept. No. 1107);

H. R. 2415. A bill for the relief of Joseph Tarantola and Ida Tarantola; without amendment (Rept. No. 1108);

H. R. 2848. A bill for the relief of the legal guardian of Wilma Sue Woods, Patsy Woods, Raymond E. Hilliard, and Thomas E. Hilliard, minors; without amendment (Rept. No. 1109);

H. R. 2931. A bill for the relief of Edward Oatneal, John N. Oatneal, Jr., and James R. Oatneal; without amendment (Rept. No. 1110);

H. R. 3121. A bill for the relief of Elizabeth M. Simmons and Robert H. Simmons; without amendment (Rept. No. 1111);

H. R. 3126. A bill for the relief of Mrs. Jean Taube Weller; without amendment (Rept. No. 1112);

H. R. 4054. A bill for the relief of H. A. Edd; without amendment (Rept. No. 1113);

H. R. 4297. A bill for the relief of Joseph Schell; without amendment (Rept. No. 1115);

H. R. 4056. A bill for the relief of Mrs. Jud Hendry and her daughter, Gladys Hendry; without amendment (Rept. No. 1114); and

H. R. 4560. A bill for the relief of Nicholas T. Stepp; without amendment (Rept. No. 1116).

By Mr. MORSE, from the Committee on Claims:

H. R. 1217. A bill for the relief of Hutchinson's Boat Works, Inc., and others; without amendment (Rept. No. 1119);

H. R. 2062. A bill for the relief of Dave Topper; without amendment (Rept. No. 1120);

H. R. 3430. A bill for the relief of George F. Powell; without amendment (Rept. No. 1121); and

H. R. 4240. A bill for the relief of Frank E. Wilmot; without amendment (Rept. No. 1122).

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 997. A bill for the relief of Aldona Kojas; with an amendment (Rept. No. 1123);

H. R. 1838. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of A. G. Bailey against the United States; without amendment (Rept. No. 1124);

H. R. 2167. A bill for the relief of Orvis Welch; with an amendment (Rept. No. 1125);

H. R. 3301. A bill for the relief of the legal guardian of James Herbert Keith, a minor; without amendment (Rept. No. 1126); and

H. R. 3513. A bill for the relief of Braxton B. Folmar and Mary Inez Folmar, William Ernest Evans and Dora Ethel Evans, Joseph Thomas Avery and Maggie M. Avery, Robert H. Phillips and Hattie P. Phillips, and the legal guardian of James T. Avery, a minor; without amendment (Rept. No. 1127).

By Mr. KILGORE, from the Committee on Claims:

H. R. 1721. A bill for the relief of Eli L. Scott; without amendment (Rept. No. 1128).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or

historical interest, submitted a report thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRIDGES:

S. 2016. A bill granting a pension to Grace Brown; to the Committee on Pensions.

S. 2017 (by request). A bill to provide for payment of losses sustained by the operators of mica mines under contracts with the Metals Reserve Company or its agents; to the Committee on Banking and Currency.

By Mr. JOHNSON of Colorado:

S. 2018. A bill to facilitate the decentralization of the Veterans' Administration; and

S. 2019. A bill to authorize the Administrator of Veterans' Affairs to grant an easement for highway purposes to the Commonwealth of Pennsylvania, in certain lands in the reservation of the Veterans' Administration Hospital, Lebanon County, Pa., and for other purposes; to the Committee on Finance.

By Mr. WAGNER:

S. 2020. A bill granting a right-of-way at a revised location to the West Shore Railroad Co., the New York Central Railroad Co., lessee, across a portion of the military reservation at West Point; to the Committee on Military Affairs.

AMENDMENT OF FAIR LABOR STANDARDS ACT OF 1938—AMENDMENTS

Mr. CORDON submitted amendments intended to be proposed by him to the bill (S. 1349) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, which were ordered to lie on the table and to be printed.

SECOND DEFICIENCY APPROPRIATION ACT, 1946—AMENDMENT

Mr. GREEN submitted an amendment intended to be proposed by him to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 3, between lines 9 and 10, insert the following:

"ERECTION OF A STATUE OF GEORGE WASHINGTON ON THE CAPITOL GROUNDS

"To enable the Architect of the Capitol to acquire a statue of George Washington and a suitable granite pedestal upon which to erect such statue and to defray all expenses of erecting such statue upon the Capitol Grounds, all as authorized by the act of June 11, 1940 (54 Stat. 299), \$25,000."

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H. R. 1072. An act for the relief of Henry R. Butler;

H. R. 1229. An act for the relief of Mrs. Mary M. Wolf;

H. R. 1345. An act for the relief of David M. Matteson;

H. R. 1394. An act for the relief of William H. W. Komp;

H. R. 1642. An act for the relief of Edith Popwell;

H. R. 1782. An act for the relief of Ida F. Braun, Alice Braun Menges, and Carl J. Braun, individually and as executors of the estate of Hedwig W. Braun, deceased, and

as legatees and beneficiaries of the will of Hedwig W. Braun, deceased, and as the sole parties in interest by succession under the last will and testament of Hedwig W. Braun, deceased, and under the last will and testament of Herman W. Braun, deceased;

H. R. 1852. An act for the relief of R. H. White Transfer & Storage Co., of Nashville, Tenn.;

H. R. 1919. An act for the relief of Mrs. Maud M. Wright and Mrs. Maxine Mills;

H. R. 2188. An act for the relief of George W. Bailey;

H. R. 2569. An act for the relief of Daphne Webb;

H. R. 2576. An act for the relief of William F. Schmeltz;

H. R. 2665. An act for the relief of Acchille Guillory and Olivia Guillory;

H. R. 2747. An act for the relief of George A. West;

H. R. 2926. An act for the relief of Mrs. Alice Breon;

H. R. 2973. An act for the relief of Ben Thomas Haynes, a minor;

H. R. 3007. An act for the relief of Russell F. Taylor;

H. R. 3125. An act for the relief of Lovie M. Trotter;

H. R. 3160. An act for the relief of George Corenevsky;

H. R. 3341. An act for the relief of J. E. and Minerva Mitchell, and Rosie Monroe;

H. R. 3378. An act for the relief of Dr. John A. Logan;

H. R. 3432. An act for the relief of J. W. Edgerly & Co.;

H. R. 3434. An act for the relief of Belmont Properties Corp.;

H. R. 3506. An act for the relief of Mary A. Wallis;

H. R. 3512. An act for the relief of Willie Lam and Edgar Lam;

H. R. 3676. An act for the relief of Pershing W. Ridgeway;

H. R. 3770. An act for the relief of Lyndon T. Montgomery;

H. R. 3781. An act for the relief of Mabel M. Fischer;

H. R. 3822. An act for the relief of the estate of Charles M. Overcash, deceased;

H. R. 4141. An act for the relief of Piombo Bros. & Co.;

H. R. 4244. An act for the relief of Fundador Nieves del Valle;

H. R. 4352. An act for the relief of Ola L. Wright, Mrs. Margaret Wright, and the legal guardian of Betty Bea Wright, a minor;

H. R. 4405. An act for the relief of John Bakelaar;

H. R. 4491. An act for the relief of Vertie Bea Loggins;

H. R. 4600. An act for the relief of the estate of Patsy Ann Maheux, deceased;

H. R. 4616. An act for the relief of the Maryland Sanitary Manufacturing Corp. of Baltimore, Md.;

H. R. 4633. An act for the relief of John B. Clausen;

H. R. 4640. An act for the relief of Gladys Hastings;

H. R. 4716. An act for the relief of Charles B. Borell;

H. R. 4723. An act for the relief of John M. Shipp;

H. R. 4777. An act for the relief of the Sawtooth Co.;

H. R. 4800. An act for the relief of Harry Fleishman;

H. R. 4832. An act for the relief of Stanley B. Reeves and Mrs. Stanley B. Reeves;

H. R. 4833. An act for the relief of the estate of Robert Lee Blackmon;

H. R. 4836. An act for the relief of Louis M. Drolet;

H. R. 4854. An act for the relief of Mrs. Pearl Smith;

H. R. 4885. An act for the relief of Ernst V. Brender;

H. R. 4904. An act for the relief of Cleo D. Johnson and Mr. and Mrs. Jack B. Cherry;

H. R. 4920. An act for the relief of the estate of Curtis Wilson, deceased;

H. R. 4976. An act for the relief of Mrs. Catherine Fortunato;

H. R. 4977. An act for the relief of Mrs. Theresa Ebrecht;

H. R. 4997. An act for the relief of Ernest I. Wade and Alma Wade;

H. R. 5208. An act for the relief of Michael J. Keaveney and Mary C. Keaveney;

H. R. 5307. An act for the relief of Ben V. King; and

H. R. 5664. An act for the relief of Oscar R. Steinert; to the Committee on Claims.

H. R. 5059. An act to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Offices and Post Roads.

H. R. 5149. An act to govern the effective dates of ratings and awards under the Veterans' Administration Revised Schedule for Rating Disabilities, 1945, and for other purposes; to the Committee on Finance.

H. R. 5200. An act for the relief of Anthony (Tony) Di Ina;

H. R. 5278. An act to legalize the admission to the United States of Virginia Harris Casardi;

H. R. 5598. An act for the relief of Giovanni Camera; and

H. R. 5634. An act for the relief of Mrs. Masuyo (Marjorie) Sudo Cromley; to the Committee on Immigration.

H. R. 5744. An act to incorporate the Civil Air Patrol; to the Committee on the Judiciary.

JACKSON DAY ADDRESS BY SECRETARY OF THE NAVY FORRESTAL AT NEW ORLEANS, LA.

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an address delivered by Secretary of the Navy James Forrestal at a Jackson Day dinner at New Orleans, La., on March 23, 1946, which will appear hereafter in the Appendix.]

COALITION'S CRITICS OVERLOOK HISTORY—ARTICLE BY DAVID LAWRENCE

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD an article entitled "Coalition's Critics Overlook History," written by David Lawrence and published in the Washington Star of April 1, 1946, which appears in the Appendix.]

THE CHALLENGE OF AMERICA—ADDRESS BY THE GOVERNOR OF PENNSYLVANIA

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an address entitled "The Challenge of America," delivered by Maj. Gen. Edward Martin, Governor of Pennsylvania, at a dinner of the Indiana Republican Editorial Association, at the Claypool Hotel, at Indianapolis, Ind., on March 30, 1946, which appears in the Appendix.]

ARKANSANS WANT ECONOMY—ARTICLE BY WILLIAM JOHNSON

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD an article entitled "Arkansans Want Economy," written by William Johnson and published in the Arkansas Democrat of March 31, 1946, which appears in the Appendix.]

FEDERAL SPENDING—EDITORIAL FROM ARKANSAS DEMOCRAT

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD an editorial entitled "A Peril to Your Welfare" from the Arkansas Democrat of March 31, 1946, which appears in the Appendix.]

EXTENDING THE DRAFT—EDITORIAL FROM THE COLUMBIA (S. C.) STATE

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an editorial entitled "Extending the Draft," from the State, of Columbia, S. C., which appears in the Appendix.]

APPLICATION OF MINIMUM WAGE PROVISIONS TO SMALL TOWN DAILY AND WEEKLY NEWSPAPERS—STATEMENT BY SENATOR MCCARRAN

[Mr. EASTLAND (for Mr. McCARRAN) asked and obtained leave to have printed in the RECORD a statement prepared by Senator McCARRAN and certain correspondence relative to the application of minimum-wage provisions to small town daily and weekly newspapers, which appear in the Appendix.]

A NATIONAL AIR POLICY BOARD

[Mr. MITCHELL asked and obtained leave to have printed in the RECORD an editorial from the New York Times of March 24 and an article by Gill Robb Wilson, from the New York Herald Tribune, relating to a national air policy board, which appear in the Appendix.]

CONTRIBUTION BY BENEVOLENT AND PROTECTIVE ORDER OF ELKS TOWARD THE WAR EFFORT

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a report prepared by Mr. William Phillips and forwarded to him by Mr. James T. Hallinan, vice chairman of the Grand Lodge of Elks, setting forth the great contribution made by that organization toward the war effort, which appears in the Appendix.]

THE RESURRECTION OF HOPE—POEM BY MARY BELLE POOLE-MASON

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD a poem entitled "The Resurrection of Hope," written by Mary Belle Poole-Mason, of New Orleans, La., which appears in the Appendix.]

NOMINATION OF JAMES K. VARDAMAN, JR.

The PRESIDENT pro tempore. The pending question is, Will the Senate advise and consent to the nomination of James Kimble Vardaman, Jr., to be a member of the Board of Governors of the Federal Reserve System?

Mr. DONNELL obtained the floor.

EFFECT ON PRODUCTION OF OPA PRICE CEILINGS

Mr. WHERRY. Mr. President, will the Senator from Missouri yield?

Mr. DONNELL. I yield to the Senator from Nebraska.

Mr. WHERRY. I thank the distinguished Senator from Missouri for yielding for the moment.

Mr. President, apparently, the Small Business Committee of the Senate has not seen fit to function for the past 3 months. Several complaints have come to my office, and I presume to the offices of other Senators, on questions of price fixing by the OPA. Other standing committees and subcommittees of standing committees have taken over some of the activities; but such questions as the production of meat, the production of textiles and overalls, and workmen's materials, which are vital to those in the farm belt, as well as to all of us, have apparently gone unanswered, and the Congress has not taken any definite action relative to price fixing that will give the manufacturers an opportunity to produce under a flexible realistic pricing program.

Here is a letter from a man in my home town who has been in business there for many years. His company sells, and has sold for many years, work clothes and all the merchandise the farmers of that locality need to buy. The letter, which

[SUBCOMMITTEE PRINT]

Calendar No.

79TH CONGRESS
2^D SESSION

H. R. 5604

[Report No.]

IN THE SENATE OF THE UNITED STATES

MARCH 14 (legislative day, MARCH 5), 1946

Read twice and referred to the Committee on Appropriations

APRIL , 1946

Reported by Mr. -----, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the appropriations and contractual authorizations of the
4 departments and agencies available in the fiscal year 1946,
5 and prior year unreverted appropriations, are hereby reduced
6 in the sums hereinafter set forth, such sums to be carried to
7 the surplus fund and covered into the Treasury immediately
8 upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-
2 DENT, INDEPENDENT OFFICES, AND EXECU-
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 National War Labor Board:

7 Salaries and expenses, \$1,600,000.

8 Office of Scientific Research and Development:

9 Salaries and expenses, \$555,000.

10 War Shipping Administration:

11 Revolving fund, \$375,000,000.

12 Maritime training fund, \$2,000,000.

13 Marine and war risk insurance fund, revolving fund,

14 \$60,000,000.

15 Office of Censorship: Salaries and expenses, \$415,400.

16 Petroleum Administration for War:

17 Salaries and expenses, \$200,000.

18 In all, Office for Emergency Management, \$439,-
19 770,400.

20 EMERGENCY FUNDS APPROPRIATED TO THE

21 PRESIDENT

22 Defense aid—lend-lease, \$1,080,000,000, to be deducted
23 from such of the categories specified in the various appro-
24 priation acts as may be determined by the Secretary of State
25 or such official as he shall designate.

INDEPENDENT OFFICES

Employees' Compensation Commission: Employees' compensation fund, \$1,300,000.

United States Maritime Commission: Construction fund, Act of June 29, 1936, revolving fund, \$300,068,000.

FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$125,000.

FEDERAL WORKS AGENCY

Office of the Administrator:

War public works (community facilities), \$5,750,000.

Liquidation of Work Projects Administration, 1944, \$120,000.

Work relief in Puerto Rico and the Virgin Islands, 1944, \$1,000,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$75,000.

Public Roads Administration: Flight strips (national defense), \$56,732, and such additional amount as may remain unobligated.

In all, independent offices, \$308,494,732.

1 EXECUTIVE DEPARTMENTS

2 [Non-War]

3 DEPARTMENT OF AGRICULTURE

4 Emergency supplies for Territories and possessions,
5 ~~\$5,000,000~~ \$3,800,000.

6 DEPARTMENT OF THE INTERIOR

7 Office of Fishery Coordination: Salaries and expenses,
8 \$12,000.

9 Emergency funds appropriated to the President:

10 Emergency fund for the President, national defense
11 (allotment to Interior, Territories and island posses-
12 sions), \$1,391,143.

13 DEPARTMENT OF JUSTICE

14 Legal activities and general administration: Salaries and
15 expenses, Lands Division, \$300,000.

16 In all, executive departments, ~~\$6,703,143~~ \$5,503,143.

17 In all, title I, ~~\$1,834,968,275~~ \$1,833,768,275.

18 Miscellaneous Provisions, Title I

19 REDUCTIONS IN CONTRACTUAL AUTHORIZATIONS

20 Contractual authorizations of the departments and agen-
21 cies available in the fiscal year 1946 are hereby reduced in
22 the sums hereinafter set forth:

23 INDEPENDENT OFFICES

24 United States Maritime Commission: Construction fund,
25 Act June 29, 1936, revolving fund, \$460,000,000.

1 Federal Works Agency, Public Buildings Administra-
2 tion: Construction of buildings in the District of Columbia,
3 \$3,673,001.

4 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE
5 EXPENSES

6 Limitations on amounts from funds of corporations and
7 other agencies for administrative expenses are hereby re-
8 duced in the following sums:

9 EXECUTIVE OFFICE OF THE PRESIDENT

10 Office for Emergency Management, Foreign Economic
11 Administration:

12 Rubber Development Corporation, \$160,000.

13 U. S. Commercial Company, \$250,000.

14 INDEPENDENT OFFICES

15 Federal Loan Agency, Reconstruction Finance Corpo-
16 ration:

17 Administrative expenses, Reconstruction Finance
18 Corporation and its affiliated organizations, \$7,000,000.

19 CORPORATE FUNDS TO BE TRANSFERRED TO THE
20 TREASURY

21 EXECUTIVE OFFICE OF THE PRESIDENT

22 Office for Emergency Management:

23 Office of Inter-American Affairs: The Director of
24 the Office of Inter-American Affairs is hereby directed
25 to deposit in the Treasury of the United States as mis-

1 cellaneous receipts the following sums representing ex-
 2 cess funds of corporations created by the Coordinator of
 3 Inter-American Affairs under authority of law:

4 Institute of Inter-American Transportation,
 5 \$171,890.

6 Inter-American Navigation Corporation, \$175,000.

7 Prencinradio, Incorporated, \$100,000.

8 TITLE II—MILITARY ESTABLISHMENT

9 Office of Secretary of War:

10 Expediting Production of Equipment and Supplies
 11 for National Defense, 1940-1946, \$20,545,000.

12 General Staff Corps:

13 Special Field Exercises, Army, 1942-1946,
 14 \$2,413,868.

15 Adjutant General's Department:

16 Command and General Staff School, Fort Leaven-
 17 worth, Kansas, 1942-1946, \$20,000.

18 Finance Department:

19 Finance Service, Army, 1942-1946, ~~\$66,140,457~~
 20 \$4,704,700, and subappropriations under this head are
 21 hereby decreased as follows: (1) ~~Pay of the Army,~~
 22 ~~\$61,435,757;~~ (2) Expenses of courts martial, \$4,700;
 23 ~~(3)~~ (2) apprehension of deserters, \$450,000; ~~(4)~~ (3)
 24 Finance Service, \$4,000,000, and ~~(5)~~ (4) claims for
 25 damages due to loss or destruction of property, or per-

sonal injury, or death, \$250,000: *Provided, That of the provisions of law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the armed forces of the United States or any component thereof, only those conferring rights, privileges, or benefits upon persons during the time they are on active duty and those listed below shall, after the date of enactment of this Act, be deemed to apply to persons for service in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945 (Public Law 190, Seventy-ninth Congress):*

(1) *The provisions of the Act of March 9, 1928 (45 Stat. 251), as amended, relating to funeral expenses;*

(2) *Provisions of law authorizing the payment to enlisted men of a travel allowance upon discharge;*

(3) *Provisions of law authorizing retirement and prescribing or governing pay for Philippine Scouts placed on the retired list;*

(4) *The provisions of the Act of December 17, 1919 (41 Stat. 367), as amended, authorizing the payment of a death gratuity equal to six months' active-duty pay to the dependents of military personnel whose death occurs while on active duty;*

1 (5) *The provisions of the Mustering-Out Pay-*
2 *ment Act of 1944 (Public Law 225, Seventy-eighth*
3 *Congress), except that for the purpose of computing*
4 *such payments for service in the Philippine Scouts,*
5 *service wholly performed in the Philippine Islands*
6 *shall be compensated for on the same basis as service*
7 *wholly performed within the United States; and*

8 (6) *The provisions of laws administered by*
9 *the Veterans' Administration providing for the pay-*
10 *ment of pensions on account of service-connected*
11 *disability or death:*

12 *Provided further, That payments made under the pro-*
13 *visions of any law referred to in clauses (5) and (6)*
14 *above shall be paid at the rate of one Philippine peso*
15 *for each dollar authorized by such law: And provided*
16 *further, That the provisions of the National Service Life*
17 *Insurance Act of 1940, as amended, shall apply to*
18 *persons who serve in the Philippine Scouts under the*
19 *provisions of section 14 of the Act approved October 6,*
20 *1945, only insofar as such provisions relate to contracts*
21 *of insurance heretofore entered into.*

22 Quartermaster Corps:

23 Quartermaster Service, Army, 1942-1946, sub-
24 appropriation "Welfare of enlisted men", \$5,400,000.

1 Transportation Corps:

2 Transportation Service, Army, 1945-1946,
3 \$80,000,000.

4 Signal Corps:

5 Signal Service of the Army, 1942-1946, \$85,-
6 000,000.

7 Air Corps:

8 Air Corps, Army 1942-1946, \$1,000,000,000.

9 Medical Department:

10 Medical and Hospital Department, Army, 1942-
11 1946, \$27,615,000.

12 Corps of Engineers:

13 Engineer Service, Army, 1942-1946, subappropri-
14 ation "Engineer Service", \$50,000,000,—and no part of
15 such subappropriation shall be available after February
16 25, 1946, for acquiring land or building permanent struc-
17 tures within the continental limits of the United States,
18 except structures not costing more than \$20,000.

19 Repair of arsenals, Army, 1942-1946, \$661,905.

20 Repair of arsenals, emergency construction, no year,
21 \$480.

22 Acquisition of land, Panama, Army, no year,
23 \$395,593.

1 Acquisition of land, Buchanan, Puerto Rico, no year,
2 \$8,284.

3 Acquisition of land, Act June 26, 1940, no year,
4 \$13,254.

5 Acquisition of land for military purposes, national
6 defense, no year, \$360,941.

7 Acquisition of land, San Bernardino, Kern, Los
8 Angeles Counties, California, no year, \$1,470.

9 Acquisition of land, Ogden Ordnance Depot, Utah,
10 no year, \$60,420.

11 Sites for military purposes, no year, \$10,065.

12 Construction of buildings, utilities, and appurtenances
13 at military posts, no year, \$12,533,633.

14 Office buildings and appurtenances, War Depart-
15 ment, Arlington County, Virginia, no year, \$157.

16 Buildings for United States representatives, Philip-
17 pine Islands, no year, \$304.

18 Ordnance Department:

19 Ordnance Service and Supplies, Army, 1942-1946,
20 \$201,035,000.

21 Chemical Warfare Service:

22 Chemical Warfare Service, Army, 1942-1946,
23 \$21,600,000.

24 Special Service Schools:

25 Special Service Schools, Army, 1942-1946,

\$382,500, and subappropriations under this head are hereby decreased as follows: (1) Infantry School, \$181,200; (2) Cavalry activities, \$30,300; (3) Field Artillery activities, \$130,500; and (4) Coast Artillery activities, \$40,500.

Armored force:

Instruction in armored force activities, 1942-1946, \$83,000.

Seacoast defenses:

Seacoast defenses, general, 1942-1946, \$14,683,000, and no part of such appropriation shall be available after February 25, 1946, for the acquisition of land.

Seacoast defenses, general, no year, \$9,698,373.

Seacoast defenses, no year, \$708,225.

Seacoast defenses, Insular Departments, no year, \$50,456.

Seacoast defenses, Panama Canal, no year, \$622,470.

United States Military Academy: Pay of Military Academy, 1942-1946, \$126,272.

Citizens' Military Training:

Military supplies and equipment for schools and colleges, 1942-1946, \$6,083.

National Board for Promotion of Rifle Practice, Army:

Promotion of rifle practice, 1942-1946, \$17,500.

1 Inter-American Relations, War Department:

2 Inter-American Relations, War Department, 1943-
3 1946, \$30,000.

4 National defense activities, War Department, 1942-
5 1946, \$2,659.

6 Office of the Secretary:

7 Contingent expenses, War Department, 1942-1946,
8 \$1,200,000.

9 Printing and binding, War Department, 1942-1946,
10 \$4,500,000.

11 Emergency funds appropriated to the President:

12 Emergency fund for the President, national defense
13 (allotment to War), 1942-1946, \$10,000,000.

14 In all, title II, ~~\$1,615,926,369~~ \$1,554,490,612.

15 TITLE III—NAVAL ESTABLISHMENT

16 Office of the Secretary:

17 Naval Research Laboratory, 1946, ~~\$75,000~~ \$36,000.

18 Ocean and lake surveys, Navy:

19 Fiscal year 1944, \$48,925.

20 Fiscal year 1945, \$7,953.

21 Bureau of Naval Personnel:

22 Naval Training Station, Lake Pend Oreille, Idaho, 1944,
23 \$11,486.

1 Naval Training Station, Port Deposit, Maryland, 1946,

2 \$200,000.

3 Libraries, Navy, 1945, \$171,373.

4 Welfare and Recreation, Navy:

5 Fiscal year 1945, \$1,968,936.

6 Fiscal year 1946, \$2,000,000.

7 Naval Reserve Officers' Training Corps:

8 Fiscal year 1944, \$8,608.

9 Fiscal year 1945, \$62,595.

10 Fiscal year 1946, \$250,000.

11 Naval prison farms and prison personnel (receipt limi-
12 tation), 1944, \$38.

13 Bureau of Ships:

14 Maintenance, Bureau of Ships:

15 Fiscal year 1942, \$3,090,591.

16 Fiscal year 1943, \$53,724,957.

17 Fiscal year 1946, \$30,000,000: *Provided*, That this
18 appropriation shall be available for continuing the pur-
19 poses of the appropriation "Defense installations on mer-
20 chant vessels, Navy", when such latter appropriation is
21 exhausted.

22 Bureau of Ordnance:

- 1 Ordnance and ordnance stores, Navy:
- 2 Fiscal year 1945, \$205,247,233.
- 3 Fiscal year 1946, \$100,000,000.
- 4 Bureau of Supplies and Accounts:
- 5 Pay, subsistence, and transportation, Navy, 1944,
- 6 \$2,763,960.
- 7 Pay and subsistence of naval personnel, 1946, \$400,-
- 8 000,000.
- 9 Maintenance, Bureau of Supplies and Accounts:
- 10 Fiscal year 1944, \$5,000,000.
- 11 Fiscal year 1946, ~~\$15,000,000~~ \$13,657,000.
- 12 Transportation of things, Navy, 1946, ~~\$150,000,000~~
- 13 \$119,474,300.
- 14 Fuel and transportation, Navy, 1945, \$20,000,000.
- 15 Naval Stock Fund, \$275,000,000.
- 16 Bureau of Medicine and Surgery:
- 17 Medical Department, Navy:
- 18 Fiscal year 1944, \$2,372,599.
- 19 Fiscal year 1945, \$7,000,000.
- 20 Fiscal year 1946, \$17,000,000.
- 21 Bureau of Yards and Docks:
- 22 Maintenance, Bureau of Yards and Docks:
- 23 Fiscal year 1944, \$1,500,000.
- 24 Fiscal year 1945, \$4,000,000.
- 25 Fiscal year 1946, \$100,000.

1 Public Works, Bureau of Yards and Docks, \$190,-
 2 000,000, and the contractual authorization for "Public Works,
 3 Bureau of Yards and Docks", available in the fiscal year
 4 1946, is hereby further reduced in the sum of \$5,000,000,
 5 applicable to projects within the continental limits of the
 6 United States, and neither the appropriation nor contractual
 7 authorization under this head shall be available after Feb-
 8 ruary 25, 1946, for the acquisition of land, except in pur-
 9 suance of a specific appropriation: *Provided, That the restric-*
 10 *tion on the use of the appropriation and contract authoriza-*
 11 *tion in the amount of \$1,500,000 applying exclusively for*
 12 *field house at United States Naval Academy, Annapolis,*
 13 *Maryland, including acquisition of land and accessories as*
 14 *authorized by law is hereby canceled.*

15 Bureau of Aeronautics:

16 Aviation, Navy:

17 Fiscal year 1943, \$265,000,000.

18 Fiscal year 1943-1944, \$10,000,000.

19 Fiscal year 1944, \$260,000,000.

20 Fiscal year 1946, ~~\$215,887,000~~ \$165,682,000, and
 21 subappropriations under this head are hereby decreased
 22 as follows: (1) New construction and procurement of
 23 aircraft and equipment, spare parts, and so forth, from
 24 "\$128,116,900" to "\$94,737,200"; (2) replacement of
 25 navigational and radio equipment for aircraft in service,

1 and so forth, from "\$44,934,000" to "\$34,917,200";
 2 and (3) maintenance, repair, and operation of aircraft
 3 factory, air stations, and so forth, from "\$800,374,950"
 4 to ~~"\$627,884,450"~~ "\$678,089,450".

5 Marine Corps:

6 General expenses, Marine Corps:

7 Fiscal year 1944, \$10,000,000.

8 Fiscal year 1945, \$10,000,000.

9 Increase and replacement of naval vessels:

10 Increase and replacement of naval vessels, construc-
 11 tion and machinery, \$602,491,000.

12 Increase and replacement of naval vessels, armor.
 13 armament and ammunition, \$338,848,000.

14 Increase and replacement of naval vessels, emer-
 15 gency construction, \$20,387,000: *Provided, That the*
 16 *proviso in Public Law 301, Seventy-ninth Congress,*
 17 *approved February 16, 1946, under the head of*
 18 *"Increase and replacement of naval vessels, emergency*
 19 *construction", is amended to the extent that combatant*
 20 *vessels under construction on March 1, 1946, whose*
 21 *percentage of construction exceeded 20 per centum on*
 22 *that date will be completed.*

23 Repair facilities, Navy:

24 Repair facilities, Navy, \$18,281,000.

1 Coast Guard:

2 Pay and allowances, Coast Guard:

3 Fiscal year 1944, \$11,816,086.

4 Fiscal year 1945, \$5,940,838.

5 Fiscal year 1946, \$7,000,000.

6 General expenses, Coast Guard:

7 Fiscal year 1944, \$136,250.

8 Fiscal year 1945, \$48,286.

9 Fiscal year 1946, \$1,500,000.

10 Retired pay, former Lighthouse Service, Coast Guard,
11 1946, \$41,000.

12 Salaries *and expenses*, Merchant Marine Inspection,
13 Coast Guard, 1945, \$5,985.

14 NAVY DEPARTMENT

15 Salaries:

16 Salaries, Compensation Board, 1944, \$109.

17 Salaries, Bureau of Naval Personnel, 1945, \$577.

18 Salaries, Hydrographic Office:

19 Fiscal year 1944, \$65,119.

20 Fiscal year 1945, \$30,461.

21 Salaries, Bureau of Ships, 1945, \$7.

22 Salaries, Bureau of Supplies and Accounts, 1945,
23 \$33,299.

24 Salaries, Bureau of Yards and Docks, 1945, \$153.

1 Contingent expenses:

2 Contingent expenses, Navy Department, 1945,
3 \$106,000.

4 The amount which may be transferred to this appro-
5 priation from other appropriations contained in the Naval
6 Appropriation Act, 1946, is hereby decreased from "\$5,500,-
7 000" to "\$4,000,000".

8 Printing and binding, Navy Department, 1945,
9 \$2,118,500.

10 The amount which may be transferred to this appro-
11 priation from other appropriations contained in the Naval
12 Appropriation Act, 1946, is hereby decreased from "\$18,-
13 500,000" to "\$8,500,000".

14 Contingent and miscellaneous expenses, Hydrographic
15 Office:

16 Fiscal year 1945, \$52,000.

17 Fiscal year 1946, \$600,000.

18 TRANSFER OF APPROPRIATIONS

19 Transfers of the amounts hereinafter set forth shall be
20 made from the appropriation "Aviation, Navy, 1946," to
21 the following appropriations:

22 Navy War College, 1946, \$37,000;

23 Naval Training Station, Newport, 1946, \$907,-
24 000;

1 Pay, Naval Academy, 1946, \$159,000;

2 Naval Home, 1946, \$12,640;

3 Pay, subsistence and transportation, 1943, ~~\$4,500,~~

4 ~~000~~ \$5,000,000;

5 Maintenance, Bureau of Supplies and Accounts,

6 1943, \$350,000;

7 Maintenance, Bureau of Supplies and Accounts,

8 1945, \$29,364,000;

9 Fuel and transportation, Navy, 1944, \$1,415,000;

10 Salaries, Office of the Commandant, United States

11 Coast Guard, 1946, \$265,000;

12 Civilian employees, Coast Guard, 1946, \$395,000;

13 Salaries, Merchant Marine Inspection, 1946,

14 \$72,000;

15 In all, ~~\$37,476,640~~ \$37,976,640.

16 NAVAL STOCK ACCOUNT AND FUND

17 Effective April 1, 1946, the limitation, specified in the

18 First Supplemental National Defense Appropriation Act of

19 1944, on the value of stock in the "Naval Stock Account"

20 plus outstanding obligations under the "Naval Stock Fund"

21 shall be reduced from \$2,250,000,000 to ~~\$1,650,000,000~~

22 \$2,000,000,000 and thereafter said stock and obligations

23 shall not exceed at any time said latter amount.

24 In all, title III, ~~\$3,266,992,924~~ \$2,784,680,224.

GENERAL ~~PROVISION~~ PROVISIONS

2 The War and Navy Departments are hereby relieved
3 from reimbursing each other from the appropriations of the
4 "Military Establishment" and the appropriations of the
5 "Navy Department and the Naval Service" for the amounts
6 which on the date of this act may be owing by either
7 Department to the other (exclusive of working fund ac-
8 counts) for materials, supplies, equipment, or services fur-
9 nished to either of said departments by the other, prior to
10 September 1, 1945. The department furnishing such mate-
11 rials, supplies, equipment, and services shall be responsible
12 for the expenses arising in connection with the termination
13 of contracts or settlement of the accounts in connection
14 therewith.

15 The defense aid (lend-lease) appropriations made to
16 the President are hereby relieved from reimbursing the ap-
17 propriations of the "Military Establishment" and the appro-
18 priations of the "Navy Department and the Naval Service"
19 for any amounts owing on the date of this Act to such appro-
20 priations for materials, supplies, equipment, or services
21 which, pursuant to the authorization or direction of the
22 former Foreign Economic Administration or the State De-
23 partment, were furnished by either the War or the Navy
24 Department to any foreign government under the provisions
25 of the Lend-Lease Act, as amended.

1 SEC. 301. This Act may be cited as the "Second Sup-
2 plemental Surplus Appropriation Rescission Act, 1946".

Passed the House of Representatives March 13, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

AN ACT

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

MARCH 14 (legislative day, MARCH 5), 1946

Read twice and referred to the Committee on
Appropriations

APRIL , 1946

Reported with amendments

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION
RESCISSION ACT, 1946

APRIL 3 (Legislative day, MARCH 5), 1946.—Ordered to be printed

Mr. McKELLAR, from the Committee on Appropriations, submitted
the following

REPORT

[To accompany H. R. 5604]

The Committee on Appropriations to whom was referred the bill (H. R. 5604), entitled "An act reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes," report the same to the Senate with various amendments and submit herewith information relative to the changes made.

Agency	H. Doc. No. 394	House bill	Senate bill	Increase (+) or decrease (-) Senate bill compared with document	Increase (+) or decrease (-) Senate bill compared with House bill
Cash:					
Executive agencies-----	\$1,503,971,475	\$1,834,968,275	\$1,833,768,275	+\$329,796,800	-\$1,200,000
Military Establishment-----	1,420,576,472	1,615,926,369	1,554,490,612	+133,914,140	-61,435,757
Navy Department and naval service-----	2,826,880,536	3,266,992,924	2,784,680,224	-42,200,312	-482,312,700
Total cash-----	5,751,428,483	6,717,887,568	6,172,939,111	+421,510,628	-544,948,457
Other obligatory availability:					
Contract authorizations-----	420,079,000	468,673,001	463,673,001	+43,594,001	-5,000,000
Corporate funds-----	346,890	446,890	446,890	+100,000	-----
Administrative expense limitation-----	6,212,000	7,410,000	7,410,000	+1,198,000	-----
Total other obligatory availability-----	426,637,890	476,529,891	471,529,891	+44,892,001	-5,000,000
Grand total-----	6,178,066,373	7,194,417,459	6,644,469,002	+466,402,629	-549,948,457

RETRACTIONS OF RESCISSIONS

Title I—Executive Office of the President, independent offices, and executive departments**Department of Agriculture:**

Emergency supplies for Territories and possessions----- \$1, 200, 000

It was pointed out to the committee that the net worth of the appropriations from most recent reports amounts to \$3,805,320 at this time. If the Department is required to make a rescission of \$5,000,000, as proposed by the House bill, it will be hindered in its liquidating program.

It is the feeling of the Department that eventually assets under the program will provide for the return of an amount approaching the \$5,000,000 proposed by the House. Moreover, if the Department is required to return to the Treasury at this time an amount in excess of available cash, all future collections from receivables would be transferred to the Treasury, leaving unpaid obligations without funds for prompt settlement. For this reason, the committee is recommending a rescission of \$3,800,000 in lieu of \$5,000,000 as proposed by the House.

Title II—Military Establishment**Finance Service, Army:**

Pay of the Army----- 61, 435, 757

Testimony before the committee indicated that the War Department was already faced with a deficit in the appropriation "Pay of the Army" of over \$500,000,000, and that a further rescission of \$61,435,757, as proposed by the House, would only increase the anticipated deficit.

It is recommended by the committee that the following provision relative to Philippine Scouts be added to the bill:

: Provided, That of the provisions of law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the armed forces of the United States or any component thereof, only those conferring rights, privileges, or benefits upon persons during the time they are on active duty and those listed below shall, after the date of enactment of this Act, be deemed to apply to persons for service in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945 (Public Law 190, Seventy-ninth Congress):

(1) *The provisions of the Act of March 9, 1928 (45 Stat. 251), as amended, relating to funeral expenses;*

(2) *Provisions of law authorizing the payment to enlisted men of a travel allowance upon discharge;*

(3) *Provisions of law authorizing retirement and prescribing or governing pay for Philippine Scouts placed on the retired list;*

(4) *The provisions of the Act of December 17, 1919 (41 Stat. 367), as amended, authorizing the payment of a death gratuity equal to six months active-duty pay to the dependents of military personnel whose death occurs while on active duty;*

Title II—Military Establishment—Continued

Finance Service, Army—Continued

(5) *The provisions of the Mustering-Out Payment Act of 1944 (Public Law 225, Seventy-eighth Congress), except that for the purpose of computing such payments for service in the Philippine Scouts, service wholly performed in the Philippine Islands shall be compensated for on the same basis as service wholly performed within the United States; and*

(6) *The provisions of laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death:*

Provided further, That payments made under the provisions of any law referred to in clauses (5) and (6) above shall be paid at the rate of one Philippine peso for each dollar authorized by such law: And provided further, That the provisions of the National Service Life Insurance Act of 1940, as amended, shall apply to persons who serve in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945, only insofar as such provisions relate to contracts of insurance heretofore entered into

This amendment is to carry out a recommendation made by the Secretary of War that the pay of Philippine Scouts be fixed at the same rate as that of an American soldier except that payments will be made in Philippine pesos instead of American dollars. The effect of the amendment is to clearly define what a Filipino citizen may expect if he volunteers for service in the Philippine Scouts.

The War Department estimates that the cost of maintaining 50,000 enlisted men in the United States Army for a 3-year period amounts to approximately \$305,000,000, and that the cost of maintaining an equal number of enlisted men in the Philippine Scouts over a 3-year period, as provided in the amendment, will amount to \$185,000,000; or a difference of \$120,000,000.

Corps of Engineers:

Engineer Service, Army:

It is recommended by the committee that the following language relative to construction within the continental limits of the United States be stricken from the bill:

, and no part of such subappropriation shall be available after February 25, 1946, for acquiring land or building permanent structures within the continental limits of the United States, except structures not costing more than \$20,000

Testimony given before the committee indicated that there are now pending certain construction projects in the Manhattan District in which the necessary structures must be of a permanent nature and each will cost more than \$20,000. In order not to curtail and retard the Manhattan District program the committee recommend that the language referred to be stricken from the bill.

Total amount of retractions in rescissions
under title II _____

\$61,435,757

Title III—Naval Establishment**Office of the Secretary:**

Naval Research Laboratory-----\$39, 000

The Budget estimates provided for a rescission of \$57,000. This amount was increased by the House to \$75,000, and the committee recommend that the rescission be placed at \$36,000. It was represented to the committee that by cutting all maintenance to the absolute minimum and ceasing to buy any additional materials other than those already contracted for the laboratory would show a deficit of \$21,000 on the basis of the cut of \$57,000 as proposed by the Budget and a deficit of \$39,000 on the basis of a cut of \$75,000 as recommended by the House. The committee, therefore, recommend that the amount of rescission be reduced to \$36,000.

Bureau of Naval Personnel:

Naval training station, Port Deposit, Md., 1946-----200, 000

The naval training station at Port Deposit, Md., known as Bainbridge, is one of the largest separation centers of the Navy and if an additional rescission of \$200,000 is made in this appropriation a drastic reduction in personal services, materials, and all other types of expenses must be made resulting in a serious impairment of the functioning of the station as a demobilizing center.

Bureau of Supplies and Accounts:

Pay and subsistence of naval personnel-----400, 000, 000

At the present time, the Navy Department faces a deficit in this appropriation of \$186,590,200. To require a further rescission of \$400,000,000 would only result in increasing the deficit to \$586,590,200. The committee, therefore, recommend that the proposed rescission be stricken from the bill.

Maintenance-----1, 343, 000

The amount of rescission proposed by the Budget was \$13,657,000, which was increased by the House to \$15,000,000. Testimony before the committee was to the effect that the additional \$1,343,000 recommended by the House must come from funds provided for operation of naval stations, which funds if further reduced as proposed by the House will be insufficient to maintain the naval stations. The committee, therefore, recommend that the rescission be placed at \$13,657,000, as submitted by the Budget Bureau.

Transportation of things-----30, 525, 700

The Bureau of the Budget recommended a rescission of \$100,000,000, which was increased by the House to \$150,000,000. The Department indicated that the rescission as proposed by the House will not leave sufficient funds to cover the costs of transportation required to demobilize the fleet, return household and personal effects of naval personnel to their homes, and to supply the active fleet. The committee recommend that the rescission be fixed at \$119,474,300, which is the amount the Department feels can be turned back at this time.

Total, Bureau of Supplies and Accounts----431, 868, 700

Title III—Naval Establishment—Continued

Bureau of Yards and Docks:

Public works:

The committee recommend that the following provision be stricken from the bill:

, and the contractual authorization for "Public Works, Bureau of Yards and Docks", available in the fiscal year 1946, is hereby further reduced in the sum of \$5,000,000, applicable to projects within the continental limits of the United States

The Navy Department proposed that the \$5,000,000 rescission in contractual authority recommended by the House be stricken from the bill in order to provide for urgent Navy family housing accommodations at the naval air station, Patuxent River, Md.; Marine Corps air stations at Cherry Point, N. C., and El Toro, Calif.; and the inactive fleet facility at Green Cove Springs, Fla. It was represented to the committee that these family accommodations are to be Homoja units, and that they will provide the greatest possible number with a minimum demand upon the critical-materials market.

The committee also recommend that the following provision be stricken from the bill:

, and neither the appropriation nor contractual authorization under this head shall be available after February 25, 1946, for the acquisition of land, except in pursuance of a specific appropriation

It was represented to the committee that the foregoing restriction would not only seriously interfere with the current program of the Navy but that in many instances it would result in added cost to the Government.

The committee recommend that the following provision be added to the bill:

: Provided, That the restriction on the use of the appropriation and contract authorization in the amount of \$1,500,000 applying exclusively for field house at United States Naval Academy, Annapolis, Maryland, including acquisition of land and accessories as authorized by law is hereby canceled

In the Naval Appropriation Act, 1946, provision was made for a field house at the Naval Academy at a cost of \$1,500,000. The committee was advised that the Superintendent of the Academy desires to have this item repealed in order that the funds covered thereby may be applied to an urgent project for the rehabilitation of Bancroft Hall. It was further represented to the committee by the Navy Department that because of the large development building program in the Naval Academy, which has been the subject of the hearings in connection with the acquisition of the St. John's property, it would be unwise to attempt to place the field house at the Naval Academy now, but it would be more advisable to fit it in later with the over-all program.

Title III.—Naval Establishment—Continued**Aviation, Navy:**

Fiscal year 1946.....

\$50, 205, 000

The committee recommend that the amount for rescission of funds under the appropriation "Aviation, Navy" for the fiscal year 1946 be decreased from \$215,887,000, as proposed by the House, to \$165,682,000, or a decrease of \$50,205,000 in the amount of the rescission. This total decrease of \$50,205,000 in the amount of the rescission is divided into two recommended reductions in the rescission, as follows:

(1) Restoration of a cut of \$49,705,000 by the House in "Maintenance and operation" funds.

The Navy Department called attention to the fact that large reductions have already been made in this year's funds, and that in view of the further fact that roll-up expenditures toward the close of the fiscal year cannot be accurately forecast, it would be difficult for the Bureau of Aeronautics to readjust again its rates of expenditure to the degree contemplated by the additional rescission proposed by the House without sacrificing funds considered necessary for the support of fleet aviation. It was further pointed out that a further reduction of \$49,705,000 in the project for "Maintenance, repair, and operation of Aircraft Factory, air stations, etc.," would require reductions in these subheads to a point which would bring the final rate of expenditure therefrom below that required for an orderly demobilization.

(2) Provision for an additional \$500,000 for transfer from the appropriation "Aviation, Navy, 1946" to the appropriation "Pay, subsistence, and transportation, 1943."

The bill as passed by the House proposed a transfer of \$4,500,000 from the appropriation "Aviation, Navy, 1946" to the appropriation "Pay, subsistence and transportation, 1943." The committee recommend that the amount of this proposed transfer be increased from \$4,500,000, as proposed by the House, to \$5,000,000. In view of this recommendation, it is proposed by the committee that the amount for rescission under the appropriation "Aviation, Navy, 1946" be further reduced in the amount of \$500,000 in order to provide the additional funds proposed for transfer to the appropriation "Pay, subsistence and transportation, 1943."

In recommending the foregoing total reduction of \$50,205,000 in the amount of rescission under the appropriation "Aviation, Navy, 1946," the committee recommend in connection with the project "maintenance, repair, and operation of aircraft factory, air stations, and so forth," that in lieu of decreasing the amount for this project from \$800,374,950 to \$627,884,450, as proposed by the House, that the amount be decreased from \$800,374,950 to \$678,089,450, or \$50,205,000 in excess of the figure fixed by the House for this project.

Title III.—Naval Establishment—Continued

Increase and replacement of naval vessels, emergency construction:

The committee recommend that the following provision be added to the bill:

Provided, That the proviso in Public Law 301, Seventy-ninth Congress, approved February 16, 1946, under the head of "Increase and replacement of naval vessels, emergency construction", is amended to the extent that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 per centum on that date will be completed.

The foregoing amendment was presented to the committee by the chairman of the Senate Naval Affairs Committee. Information was submitted to the committee to the effect that as of March 1, 1946, there were 14 combatant vessels under construction whose percentage of construction exceeded 20 percent. On these 14 vessels, \$219,400,000 has been obligated, and it was represented to the committee that they can be completed for an additional cost of approximately \$103,000,000.

Naval stock account and fund:

The bill as passed by the House provided that effective Apr. 1, 1946, the limitation, specified in the First Supplemental National Defense Appropriation Act of 1944, on the value of stock in the "Naval stock account" plus outstanding obligations under the "Naval stock fund" shall be reduced from \$2,250,000,000 to \$1,650,000,000, and that after Apr. 1, 1946, said stock and obligations shall not exceed at any time \$1,650,000,000. The committee recommend that this figure be fixed at \$2,000,000,000, or \$250,000,000 in excess of the figure of \$1,650,000,000 proposed by the House.

This is a revolving fund which turns over very rapidly. During the war, the limitation on the value of stock in the fund was fixed at \$2,250,000,000. The Navy Department is faced with the problem of handling and accounting for quantities of materials being returned from overseas and other points. The Department represented to the committee that by handling this returned material through the naval stock fund a considerable amount of clerical work will be saved, and furthermore, the Department would have inventory control of the material. If the limitation remained at the figure fixed by the House this material could not be handled and accounted for through the naval stock fund inasmuch as the limitation would be too low. The limitation has to take into account both the stock on hand and the current obligations. Therefore, the Department states that if the limitation is fixed too low, the taking-up of material being returned in this stock fund could easily exceed the limitation where the Department takes it up in addition to its inventory and cash balance in the Treasury.

Total amount of retractions in rescissions under title III:

Cash.....	\$482, 312, 700
Contract authorizations.....	5, 000, 000

Title III.—Naval Establishment—Continued

GENERAL PROVISIONS

Defense aid (lend-lease):

It is recommended by the committee that the following paragraph be added to the bill:

The defense aid (lend-lease) appropriations made to the President are hereby relieved from reimbursing the appropriations of the "Military Establishment" and the appropriations of the "Navy Department and the Naval Service" for any amounts owing on the date of this Act to such appropriations for materials, supplies, equipment, or services which, pursuant to the authorization or direction of the former Foreign Economic Administration or the State Department, were furnished by either the War or the Navy Department to any foreign government under the provisions of the Lend-Lease Act, as amended.

The Bureau of the Budget proposed a rescission in this appropriation of \$850,000,000, which amount was increased by the House to \$1,080,000,000 or an increase of \$230,000,000.

The House report states the committee's increase in the rescission of \$230,000,000 was directed against obligations to other Federal agencies.

The Office of Foreign Liquidation Commissioner stated that while it was agreeable to the return of the additional rescission of \$230,000,000 certain technical arrangements would have to be made which would permit them to return that amount to the Treasury.

The language proposed by the committee is intended to permit the Office of Foreign Liquidation Commissioner to carry out the intent of the House.

Recapitulation

Total amount of retractions in rescissions:

Cash:

Title I.....	\$1, 200, 000
Title II.....	61, 435, 757
Title III.....	482, 312, 700

Total cash, titles I, II, and III.....	544, 948, 457
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Contract authorizations, title II.....	5, 000, 000
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Total amount of retractions in rescissions:

Titles I, II, and III.....	549, 948, 457
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Total cash rescission proposed by House: Titles I, II, and III.....	6, 717, 887, 568
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Total cash retractions in rescissions recommended by committee: Titles I, II, and III.....	544, 948, 457
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Total cash rescissions recommended by committee: Titles I, II, and III.....	6, 172, 939, 111
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Total contract authority rescission proposed by House.....	468, 673, 001
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Recapitulation—Continued

Total contract retraction recommended by committee-----	\$5, 000, 000
Total contract authority rescission recommended by committee-----	463, 673, 001
Recovery of corporate funds proposed in bill to extent of-----	446, 890
Administrative expense limitation-----	7, 410, 000
The bill, therefore, as reported to the Senate, proposes:	
(1) To rescind cash appropriations in the amount of-----	6, 172, 939, 111
(2) To rescind contract authority in the amount of-----	463, 673, 001
(3) To recover corporate funds to the extent of--	446, 890
(4) Reduced administrative limitations by-----	7, 410, 000
Grand total of rescissions recommended in bill as reported to Senate--	6, 644, 469, 002

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Calendar No. 1122

79TH CONGRESS
2D SESSION

H. R. 5604

[Report No. 1103]

IN THE SENATE OF THE UNITED STATES

MARCH 14 (legislative day, MARCH 5), 1946

Read twice and referred to the Committee on Appropriations

APRIL 3 (legislative day, MARCH 5), 1946

Reported by Mr. McKELLAR, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the appropriations and contractual authorizations of the
4 departments and agencies available in the fiscal year 1946,
5 and prior year unreverted appropriations, are hereby reduced
6 in the sums hereinafter set forth, such sums to be carried to
7 the surplus fund and covered into the Treasury immediately
8 upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-
2 DENT, INDEPENDENT OFFICES, AND EXECU-
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 National War Labor Board:

7 Salaries and expenses, \$1,600,000.

8 Office of Scientific Research and Development:

9 Salaries and expenses, \$555,000.

10 War Shipping Administration:

11 Revolving fund, \$375,000,000.

12 Maritime training fund, \$2,000,000.

13 Marine and war risk insurance fund, revolving fund,
14 \$60,000,000.

15 Office of Censorship: Salaries and expenses, \$415,400.

16 Petroleum Administration for War:

17 Salaries and expenses, \$200,000.

18 In all, Office for Emergency Management, \$439,-
19 770,400.

20 EMERGENCY FUNDS APPROPRIATED TO THE
21 PRESIDENT

22 Defense aid—lend-lease, \$1,080,000,000, to be deducted
23 from such of the categories specified in the various appro-
24 priation acts as may be determined by the Secretary of State
25 or such official as he shall designate.

INDEPENDENT OFFICES

Employees' Compensation Commission: Employees' compensation fund, \$1,300,000.

United States Maritime Commission: Construction fund, Act of June 29, 1936, revolving fund, \$300,068,000.

FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$125,000.

FEDERAL WORKS AGENCY

Office of the Administrator:

War public works (community facilities), \$5,750,000.

Liquidation of Work Projects Administration, 1944, \$120,000.

Work relief in Puerto Rico and the Virgin Islands, 1944, \$1,000,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$75,000.

Public Roads Administration: Flight strips (national defense), \$56,732, and such additional amount as may remain unobligated.

In all, independent offices, \$308,494,732.

EXECUTIVE DEPARTMENTS

[Non-War]

DEPARTMENT OF AGRICULTURE

Emergency supplies for Territories and possessions,
~~\$5,000,000~~ \$3,800,000.

DEPARTMENT OF THE INTERIOR

Office of Fishery Coordination: Salaries and expenses,
 \$12,000.

Emergency funds appropriated to the President:

Emergency fund for the President, national defense
 (allotment to Interior, Territories and island posses-
 sions), \$1,391,143.

DEPARTMENT OF JUSTICE

Legal activities and general administration: Salaries and
 expenses, Lands Division, \$300,000.

In all, executive departments, ~~\$6,703,143~~ \$5,503,143.

In all, title I, ~~\$1,834,968,275~~ \$1,833,768,275.

Miscellaneous Provisions, Title I

REDUCTIONS IN CONTRACTUAL AUTHORIZATIONS

Contractual authorizations of the departments and agen-
 cies available in the fiscal year 1946 are hereby reduced in
 the sums hereinafter set forth:

INDEPENDENT OFFICES

United States Maritime Commission: Construction fund,
 Act June 29, 1936, revolving fund, \$460,000,000.

1 Federal Works Agency, Public Buildings Administra-
2 tion: Construction of buildings in the District of Columbia,
3 \$3,673,001.

4 REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE
5 EXPENSES

6 Limitations on amounts from funds of corporations and
7 other agencies for administrative expenses are hereby re-
8 duced in the following sums:

9 EXECUTIVE OFFICE OF THE PRESIDENT

10 Office for Emergency Management, Foreign Economic
11 Administration:

12 Rubber Development Corporation, \$160,000.

13 U. S. Commercial Company, \$250,000.

14 INDEPENDENT OFFICES

15 Federal Loan Agency, Reconstruction Finance Corpo-
16 ration:

17 Administrative expenses, Reconstruction Finance
18 Corporation and its affiliated organizations, \$7,000,000.

19 CORPORATE FUNDS TO BE TRANSFERRED TO THE

20 TREASURY

21 EXECUTIVE OFFICE OF THE PRESIDENT

22 Office for Emergency Management:

23 Office of Inter-American Affairs: The Director of
24 the Office of Inter-American Affairs is hereby directed
25 to deposit in the Treasury of the United States as mis-

cellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation,
\$171,890.

Inter-American Navigation Corporation, \$175,000.

Prencinradio, Incorporated, \$100,000.

TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:

Expediting Production of Equipment and Supplies for National Defense, 1940-1946, \$20,545,000.

General Staff Corps:

Special Field Exercises, Army, 1942-1946,
\$2,413,868.

Adjutant General's Department:

Command and General Staff School, Fort Leavenworth, Kansas, 1942-1946, \$20,000.

Finance Department:

Finance Service, Army, 1942-1946, ~~\$66,140,457~~
~~\$4,704,700~~, and subappropriations under this head are hereby decreased as follows: (1) Pay of the Army, ~~\$61,435,757~~; ~~(2)~~ Expenses of courts martial, \$4,700; ~~(3)~~ (2) apprehension of deserters, \$450,000; ~~(4)~~ (3) Finance Service, \$4,000,000, and ~~(5)~~ (4) claims for damages due to loss or destruction of property, or per-

sonal injury, or death, \$250,000: *Provided, That of the provisions of law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the armed forces of the United States or any component thereof, only those conferring rights, privileges, or benefits upon persons during the time they are on active duty and those listed below shall, after the date of enactment of this Act, be deemed to apply to persons for service in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945 (Public Law 190, Seventy-ninth Congress):*

(1) *The provisions of the Act of March 9, 1928 (45 Stat. 251), as amended, relating to funeral expenses;*

(2) *Provisions of law authorizing the payment to enlisted men of a travel allowance upon discharge;*

(3) *Provisions of law authorizing retirement and prescribing or governing pay for Philippine Scouts placed on the retired list;*

(4) *The provisions of the Act of December 17, 1919 (41 Stat. 367), as amended, authorizing the payment of a death gratuity equal to six months' active-duty pay to the dependents of military personnel whose death occurs while on active duty;*

(5) *The provisions of the Mustering-Out Payment Act of 1944 (Public Law 225, Seventy-eighth Congress), except that for the purpose of computing such payments for service in the Philippine Scouts, service wholly performed in the Philippine Islands shall be compensated for on the same basis as service wholly performed within the United States; and*

(6) *The provisions of laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death:*

Provided further, That payments made under the provisions of any law referred to in clauses (5) and (6) above shall be paid at the rate of one Philippine peso for each dollar authorized by such law: And provided further, That the provisions of the National Service Life Insurance Act of 1940, as amended, shall apply to persons who serve in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945, only insofar as such provisions relate to contracts of insurance heretofore entered into.

Quartermaster Corps:

Quartermaster Service, Army, 1942-1946, sub-appropriation "Welfare of enlisted men", \$5,400,000.

1 Transportation Corps:

2 Transportation Service, Army, 1945-1946,
3 \$80,000,000.

4 Signal Corps:

5 Signal Service of the Army, 1942-1946, \$85,-
6 000,000.

7 Air Corps:

8 Air Corps, Army 1942-1946, \$1,000,000,000.

9 Medical Department:

10 Medical and Hospital Department, Army, 1942-
11 1946, \$27,615,000.

12 Corps of Engineers:

13 Engineer Service, Army, 1942-1946, subappropri-
14 ation "Engineer Service", \$50,000,000,—and no part of
15 such subappropriation shall be available after February
16 25, 1946, for acquiring land or building permanent struc-
17 tures within the continental limits of the United States,
18 except structures not costing more than \$20,000.

19 Repair of arsenals, Army, 1942-1946, \$661,905.

20 Repair of arsenals, emergency construction, no year,
21 \$480.

22 Acquisition of land, Panama, Army, no year,
23 \$395,593.

1 Acquisition of land, Buchanan, Puerto Rico, no year,
2 \$8,284.

3 Acquisition of land, Act June 26, 1940, no year,
4 \$13,254.

5 Acquisition of land for military purposes, national
6 defense, no year, \$360,941.

7 Acquisition of land, San Bernardino, Kern, Los
8 Angeles Counties, California, no year, \$1,470.

9 Acquisition of land, Ogden Ordnance Depot, Utah,
10 no year, \$60,420.

11 Sites for military purposes, no year, \$10,065.

12 Construction of buildings, utilities, and appurtenances
13 at military posts, no year, \$12,533,633.

14 Office buildings and appurtenances, War Depart-
15 ment, Arlington County, Virginia, no year, \$157.

16 Buildings for United States representatives, Philip-
17 pine Islands, no year, \$304.

18 Ordnance Department:

19 Ordnance Service and Supplies, Army, 1942-1946,
20 \$201,035,000.

21 Chemical Warfare Service:

22 Chemical Warfare Service, Army, 1942-1946,
23 \$21,600,000.

24 Special Service Schools:

25 Special Service Schools, Army, 1942-1946,

\$382,500, and subappropriations under this head are hereby decreased as follows: (1) Infantry School, \$181,200; (2) Cavalry activities, \$30,300; (3) Field Artillery activities, \$130,500; and (4) Coast Artillery activities, \$40,500.

Armored force:

Instruction in armored force activities, 1942-1946, \$83,000.

Seacoast defenses:

Seacoast defenses, general, 1942-1946, \$14,683,000, and no part of such appropriation shall be available after February 25, 1946, for the acquisition of land.

Seacoast defenses, general, no year, \$9,698,373.

Seacoast defenses, no year, \$708,225.

Seacoast defenses, Insular Departments, no year, \$50,456.

Seacoast defenses, Panama Canal, no year, \$622,470.

United States Military Academy: Pay of Military Academy, 1942-1946, \$126,272.

Citizens' Military Training:

Military supplies and equipment for schools and colleges, 1942-1946, \$6,083.

National Board for Promotion of Rifle Practice, Army:

Promotion of rifle practice, 1942-1946, \$17,500.

1 Inter-American Relations, War Department:

2 Inter-American Relations, War Department, 1943-
3 1946, \$30,000.

4 National defense activities, War Department, 1942-
5 1946, \$2,659.

6 Office of the Secretary:

7 Contingent expenses, War Department, 1942-1946,
8 \$1,200,000.

9 Printing and binding, War Department, 1942-1946,
10 \$4,500,000.

11 Emergency funds appropriated to the President:

12 Emergency fund for the President, national defense
13 (allotment to War), 1942-1946, \$10,000,000.

14 In all, title II, ~~\$1,615,926,369~~ \$1,554,490,612.

15 TITLE III—NAVAL ESTABLISHMENT

16 Office of the Secretary:

17 Naval Research Laboratory, 1946, ~~\$75,000~~ \$36,000.

18 Ocean and lake surveys, Navy:

19 Fiscal year 1944, \$48,925.

20 Fiscal year 1945, \$7,953.

21 Bureau of Naval Personnel:

22 Naval Training Station, Lake Pend Oreille, Idaho, 1944,
23 \$11,486.

1 Naval Training Station, Port Deposit, Maryland, 1946,
2 \$200,000.

3 Libraries, Navy, 1945, \$171,373.

4 Welfare and Recreation, Navy:

5 Fiscal year 1945, \$1,968,936.

6 Fiscal year 1946, \$2,000,000.

7 Naval Reserve Officers' Training Corps:

8 Fiscal year 1944, \$8,608.

9 Fiscal year 1945, \$62,595.

10 Fiscal year 1946, \$250,000.

11 Naval prison farms and prison personnel (receipt limi-
12 tation), 1944, \$38.

13 Bureau of Ships:

14 Maintenance, Bureau of Ships:

15 Fiscal year 1942, \$3,090,591.

16 Fiscal year 1943, \$53,724,957.

17 Fiscal year 1946, \$30,000,000: *Provided*, That this
18 appropriation shall be available for continuing the pur-
19 poses of the appropriation "Defense installations on mer-
20 chant vessels, Navy", when such latter appropriation is
21 exhausted.

22 Bureau of Ordnance:

1 Ordnance and ordnance stores, Navy:

2 Fiscal year 1945, \$205,247,233.

3 Fiscal year 1946, \$100,000,000.

4 Bureau of Supplies and Accounts:

5 Pay, subsistence, and transportation, Navy, 1944,
6 \$2,763,960.

7 Pay and subsistence of naval personnel, 1946, \$400,—
8 000,000.

9 Maintenance, Bureau of Supplies and Accounts:

10 Fiscal year 1944, \$5,000,000.

11 Fiscal year 1946, ~~\$15,000,000~~ \$13,657,000.

12 Transportation of things, Navy, 1946, ~~\$150,000,000~~
13 \$119,474,300.

14 Fuel and transportation, Navy, 1945, \$20,000,000.

15 Naval Stock Fund, \$275,000,000.

16 Bureau of Medicine and Surgery:

17 Medical Department, Navy:

18 Fiscal year 1944, \$2,372,599.

19 Fiscal year 1945, \$7,000,000.

20 Fiscal year 1946, \$17,000,000.

21 Bureau of Yards and Docks:

22 Maintenance, Bureau of Yards and Docks:

23 Fiscal year 1944, \$1,500,000.

24 Fiscal year 1945, \$4,000,000.

25 Fiscal year 1946, \$100,000.

1 Public Works, Bureau of Yards and Docks, \$190,-
 2 000,000, and the contractual authorization for "Public Works,
 3 Bureau of Yards and Docks", available in the fiscal year
 4 1946, is hereby further reduced in the sum of \$5,000,000,
 5 applicable to projects within the continental limits of the
 6 United States, and neither the appropriation nor contractual
 7 authorization under this head shall be available after Feb-
 8 ruary 25, 1946, for the acquisition of land, except in pur-
 9 suance of a specific appropriation: *Provided, That the restric-*
 10 *tion on the use of the appropriation and contract authoriza-*
 11 *tion in the amount of \$1,500,000 applying exclusively for*
 12 *field house at United States Naval Academy, Annapolis,*
 13 *Maryland, including acquisition of land and accessories as*
 14 *authorized by law is hereby canceled.*

15 Bureau of Aeronautics:

16 Aviation, Navy:

17 Fiscal year 1943, \$265,000,000.

18 Fiscal year 1943-1944, \$10,000,000.

19 Fiscal year 1944, \$260,000,000.

20 Fiscal year 1946, ~~\$215,887,000~~ \$165,682,000, and
 21 subappropriations under this head are hereby decreased
 22 as follows: (1) New construction and procurement of
 23 aircraft and equipment, spare parts, and so forth, from
 24 "\$128,116,900" to "\$94,737,200"; (2) replacement of
 25 navigational and radio equipment for aircraft in service,

1 and so forth, from "\$44,934,000" to "\$34,917,200";
 2 and (3) maintenance, repair, and operation of aircraft
 3 factory, air stations, and so forth, from "\$800,374,950"
 4 to ~~"\$627,884,450"~~ "\$678,089,450".

5 Marine Corps:

6 General expenses, Marine Corps:

7 Fiscal year 1944, \$10,000,000.

8 Fiscal year 1945, \$10,000,000.

9 Increase and replacement of naval vessels:

10 Increase and replacement of naval vessels, construc-
 11 tion and machinery, \$602,491,000.

12 Increase and replacement of naval vessels, armor,
 13 armament and ammunition, \$338,848,000.

14 Increase and replacement of naval vessels, emer-
 15 gency construction, \$20,387,000: *Provided, That the*
 16 *proviso in Public Law 301, Seventy-ninth Congress,*
 17 *approved February 16, 1946, under the head of*
 18 *"Increase and replacement of naval vessels, emergency*
 19 *construction", is amended to the extent that combatant*
 20 *vessels under construction on March 1, 1946, whose*
 21 *percentage of construction exceeded 20 per centum on*
 22 *that date will be completed.*

23 Repair facilities, Navy:

24 Repair facilities, Navy, \$18,281,000.

1 Coast Guard:

2 Pay and allowances, Coast Guard:

3 Fiscal year 1944, \$11,816,086.

4 Fiscal year 1945, \$5,940,838.

5 Fiscal year 1946, \$7,000,000.

6 General expenses, Coast Guard:

7 Fiscal year 1944, \$136,250.

8 Fiscal year 1945, \$48,286.

9 Fiscal year 1946, \$1,500,000.

10 Retired pay, former Lighthouse Service, Coast Guard,
11 1946, \$41,000.

12 Salaries *and expenses*, Merchant Marine Inspection,
13 Coast Guard, 1945, \$5,985.

14 NAVY DEPARTMENT

15 Salaries:

16 Salaries, Compensation Board, 1944, \$109.

17 Salaries, Bureau of Naval Personnel, 1945, \$577.

18 Salaries, Hydrographic Office:

19 Fiscal year 1944, \$65,119.

20 Fiscal year 1945, \$30,461.

21 Salaries, Bureau of Ships, 1945, \$7.

22 Salaries, Bureau of Supplies and Accounts, 1945,
23 \$33,299.

24 Salaries, Bureau of Yards and Docks, 1945, \$153.

1 Contingent expenses:

2 Contingent expenses, Navy Department, 1945,
3 \$106,000.

4 The amount which may be transferred to this appro-
5 priation from other appropriations contained in the Naval
6 Appropriation Act, 1946, is hereby decreased from "\$5,500,-
7 000" to "\$4,000,000".

8 Printing and binding, Navy Department, 1945,
9 \$2,118,500.

10 The amount which may be transferred to this appro-
11 priation from other appropriations contained in the Naval
12 Appropriation Act, 1946, is hereby decreased from "\$18,-
13 500,000" to "\$8,500,000".

14 Contingent and miscellaneous expenses, Hydrographic
15 Office:

16 Fiscal year 1945, \$52,000.

17 Fiscal year 1946, \$600,000.

18 TRANSFER OF APPROPRIATIONS

19 Transfers of the amounts hereinafter set forth shall be
20 made from the appropriation "Aviation, Navy, 1946," to
21 the following appropriations:

22 Navy War College, 1946, \$37,000;

23 Naval Training Station, Newport, 1946, \$907,-
24 000;

1 Pay, Naval Academy, 1946, \$159,000;

2 Naval Home, 1946, \$12,640;

3 Pay, subsistence and transportation, 1943, ~~\$4,500,~~

4 ~~000~~ \$5,000,000;

5 Maintenance, Bureau of Supplies and Accounts,

6 1943, \$350,000;

7 Maintenance, Bureau of Supplies and Accounts,

8 1945, \$29,364,000;

9 Fuel and transportation, Navy, 1944, \$1,415,000;

10 Salaries, Office of the Commandant, United States

11 Coast Guard, 1946, \$265,000;

12 Civilian employees, Coast Guard, 1946, \$395,000;

13 Salaries, Merchant Marine Inspection, 1946,

14 \$72,000;

15 In all, ~~\$37,476,640~~ \$37,976,640.

16 NAVAL STOCK ACCOUNT AND FUND

17 Effective April 1, 1946, the limitation, specified in the

18 First Supplemental National Defense Appropriation Act of

19 1944, on the value of stock in the "Naval Stock Account"

20 plus outstanding obligations under the "Naval Stock Fund"

21 shall be reduced from \$2,250,000,000 to ~~\$1,650,000,000~~

22 ~~\$2,000,000,000~~ and thereafter said stock and obligations

23 shall not exceed at any time said latter amount.

24 In all, title III, ~~\$3,266,992,924~~ \$2,784,680,224.

1 GENERAL ~~PROVISION~~ PROVISIONS

2 The War and Navy Departments are hereby relieved
3 from reimbursing each other from the appropriations of the
4 "Military Establishment" and the appropriations of the
5 "Navy Department and the Naval Service" for the amounts
6 which on the date of this act may be owing by either
7 Department to the other (exclusive of working fund ac-
8 counts) for materials, supplies, equipment, or services fur-
9 nished to either of said departments by the other, prior to
10 September 1, 1945. The department furnishing such mate-
11 rials, supplies, equipment, and services shall be responsible
12 for the expenses arising in connection with the termination
13 of contracts or settlement of the accounts in connection
14 therewith.

15 *The defense aid (lend-lease) appropriations made to*
16 *the President are hereby relieved from reimbursing the ap-*
17 *propriations of the "Military Establishment" and the appro-*
18 *priations of the "Navy Department and the Naval Service"*
19 *for any amounts owing on the date of this Act to such appro-*
20 *priations for materials, supplies, equipment, or services*
21 *which, pursuant to the authorization or direction of the*
22 *former Foreign Economic Administration or the State De-*
23 *partment, were furnished by either the War or the Navy*
24 *Department to any foreign government under the provisions*
25 *of the Lend-Lease Act, as amended.*

1 SEC. 301. This Act may be cited as the “Second Sup-
2 plemental Surplus Appropriation Rescission Act, 1946”.

Passed the House of Representatives March 13, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

79TH CONGRESS
2^D Session

H. R. 5604

[Report No. 1103]

AN ACT

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

MARCH 14 (legislative day, MARCH 5), 1946

Read twice and referred to the Committee on
Appropriations

APRIL 3 (legislative day, MARCH 5), 1946

Reported with amendments

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued April 9, 1946
For actions of April 8, 1946
79th-2nd, No. 63

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HIGHLIGHTS: House Rules Committee cleared new Cooley farm-credit bill. House passed and sent to President bill to provide for Under Secretary and 3 Assistant Secretaries of Labor. House sent Federal pay bill to conference. House Agriculture Committee reported revised bill to regulate marketing of economic poisons and devices. Senate passed 2nd appropriation rescission bill. Senate committee reported with amendment Wagner-Ellender-Taft housing bill. Senate debated Patman housing bill, which provides for price control and subsidies.

HOUSE

1. COOLEY FARM-CREDIT BILL. The Solicitor's Office has prepared a summary of the changes made in the new Cooley bill (H. R. 5991) as compared with the previous bill (H. R. 2239). The summary is attached to this Digest.
The Rules Committee cleared this bill (pp. 3375-6).
2. FARM LABOR; PARITY FORMULA. Rep. Crawford, Mich., spoke in favor of including farm labor in the parity formula (pp. 3360-1).
3. LABOR SECRETARIAT. Passed without amendment S. 1298, to provide for an Under Secretary and three Assistant Secretaries of Labor (pp. 3359-64). This bill will now be sent to the President.
4. FEDERAL PAY BILL. Reps. Randolph, Jackson, Miller of Calif., Rees of Kans., and Byrnes of Wis. were appointed House conferees on this bill, S. 1415 (p. 3375). Senate conferees were appointed April 5.
5. CONGRESSIONAL POWERS. Rep. Scrivner, Kans., said "Congress has abdicated" and "must reassume its constitutional power" (pp. 3378-80).
6. SCHOOL LUNCH PROGRAM; EDUCATION. Rep. Harless, Ariz., spoke in favor of the school lunch bill and Federal aid to education (pp. 3381-2).
7. PRICE CONTROL. Rep. Hook, Mich., criticized NAM for opposing price-control continuation (pp. 3382-4).
8. INSECTICIDES, etc. The Agriculture Committee reported with amendment H. R. 5645, to regulate the marketing of economic poisons and devices (H. Rept. 1887) (p. 3385).

SENATE

9. 2ND APPROPRIATION RESCISSION BILL. Passed as reported this bill, H.R. 5604, which includes a rescission for emergency supplies for territories and possessions of \$3,800,000 (pp. 3351-2). Sens. McKellar, Class, Hayden, Tydings, Russell, Brooke, Bridges, and Guffey were appointed conferees (p. 3352).

10. HOUSING. The Senate Banking and Currency Committee reported with amendment S. 1592, to establish a national housing policy and provide for its execution (S.Rept. 1131) (p. 3329).

Began debate on H. R. 4761; the Patman housing bill (pp. 3332-50). The committee had inserted provisions for price control and subsidies. During the debate Sens. McClellan, Ark., and Barkley, Ky., discussed lumber prices and production (pp. 333-9).

Passed as reported H. J. Res. 328, to make additional appropriations for veterans' housing (pp. 3350-1).

11. MILK SUBSIDIES. Sen. Mead, N. Y., inserted a N. Y. Legislature resolution favoring continuation of milk subsidies (p. 3328).

12. WHEAT ORDER. Sen. Capper, Kans., inserted a Kansas Bakers Association resolution opposing the proposal to restrict delivery of flour to bakers to 75% (p. 3328).

BILLS INTRODUCED

13. CROP INSURANCE. H. R. 6038 and 6039, to amend the Federal Crop Insurance Act. To Agriculture Committee. (p. 3385.)

14. PRICE CONTROL. H. R. 6042, by Rep. Spence, Ky., to amend the Price Control and Stabilization Acts. To Banking and Currency Committee. (p. 3385.)

15. WOOL MARKETING. H. R. 6043, by Rep. Granger, Utah, to provide support for wool, to include wool under the Agricultural Marketing Agreement Act of 1937, and to authorize the Secretary of Agriculture to fix wool standards. To Agriculture Committee. (p. 3385.)

16. WOOL PRODUCTION AND IMPORTS. H. R. 6044, by Rep. Robertson, N. Dak., to increase and stabilize U. S. wool production and to further stabilize raw-wool importation. To Agriculture Committee. (p. 3385.)

ITEMS IN APPENDIX

17. PRICE CONTROL. Rep. Celler, N. Y., inserted George R. LeSauvage's (National Restaurant Assn.) statement before the House Banking and Currency Committee criticizing the method of application and enforcement of OPA regulations and orders (pp. A2088-9).

Rep. Larcade, La., inserted a La. paper article blaming OPA for the output of bad milk (pp. A2112-3).

Extension of remarks of Rep. Miller, Nebr., criticizing OPA policies relating to the meat industry (pp. A2113-4).

Rep. Dolliver, Iowa, inserted Gov. Robert D. Blue's (Iowa) letter criticizing OPA's inequalities in prices paid to farmers for butterfat as destroying the butter-making industry in Iowa (p. A2119).

Extension of remarks of Rep. Buffett, Nebr., summarizing the alternatives facing Congress on the question of OPA extension (pp. A2124-5).

military barracks, dormitories, and temporary war housing. It was contemplated that this sum would provide for 100,000 units. This number has proven entirely inadequate. Congress, therefore, enacted S. 1821, referred to above, which authorizes \$250,000,000 additional for emergency temporary shelter for veterans. With the exception of \$3,727,000, which is the unappropriated balance of title I, Lapham Act, funds authorized for diversion to this program by Public Law 292, Seventy-ninth Congress, the entire amount is for the purpose of carrying out the provisions of S. 1821. The amount contained in this resolution, \$253,727,000, makes provision for the completion of the previous program of 100,000 units; provides for 102,350 additional units, and for administrative expenses, as follows:

For completion of previous program of 100,000 units.....	\$5,000,000
For provision of 102,350 additional units.....	243,875,000
For administrative expenses.....	4,852,000
Total.....	253,727,000

I may say, Mr. President, that this bill was passed by the other House before we passed the previous deficiency bill, and the House at that time thought that the amendment could be incorporated in the bill. However, that was not done, and the amendment is to make the language in accordance with the facts stated.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. McMAHON. Is the appropriation for the remodeling of present structures? Does it apply in any way to new buildings?

Mr. McKELLAR. The appropriation is for the remodeling of present structures.

Mr. McMAHON. How does it occur that there are so many buildings on which we can spend such a large amount of money?

Mr. McKELLAR. The buildings have been erected for use at cantonments and as housing facilities for the military all over the country. An enormous amount of money can be saved by remodeling the old buildings and making them serviceable for occupants.

Mr. McMAHON. I assume that the buildings belong to many separate agencies.

Mr. McKELLAR. They do.

Mr. McMAHON. Is there a list of them in the RECORD?

Mr. McKELLAR. The type of structure is listed, but not the various houses and the places where they are located.

Mr. McMAHON. I should think that inasmuch as each Senator has received from persons within his own State many letters with regard to this matter it would be well if there were some convenient place in the RECORD to which we could refer in answering the questions of our constituents, and to indicate to them where in the respective States these projects will be located.

Mr. McKELLAR. I could get the Department to send that information here and have it put into the RECORD, but any Senator may secure the same information by telephoning the National Housing Authority. The Senator could obtain such information within 10 minutes over the telephone.

Mr. McMAHON. I thank the Senator.
The PRESIDING OFFICER. The

joint resolution is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendment, and the third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 328) was read the third time, and passed.

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION ACT, 1946

Mr. McKELLAR. I move that the Senate proceed to the consideration of Calendar No. 1122, House bill 5604, the Second Supplemental Surplus Appropriation Rescission Act of 1946.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will state the amendment of the committee.

The first amendment of the Committee on Appropriations was, under the heading "Executive departments (non-war)—Department of Agriculture," on page 4, line 4, after the word "possessions", to strike out "\$5,000,000" and insert "\$3,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Department of Justice," on page 4, line 16, after the word "departments", to strike out "\$6,703,143" and insert "\$5,503,143."

The amendment was agreed to.

The next amendment was, on page 4, line 17, after "In all, title I", to strike out "\$1,834,968,275" and insert "\$1,833,768,275."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Military Establishment," on page 6, line 19, after the numerals "1942-1946", to strike out "\$66,140,457" and insert "\$4,704,700"; in line 21, after "(1)", to strike out "Pay of the Army, \$61,435,757; (2)"; in line 22, after the figures "\$4,700", to strike out "(3)" and insert "(2)"; in line 23, after the figures "\$450,000", to strike out "(4)" and insert "(3)"; in line 24, after the word "and", to strike out "(5)" and insert "(4)"; and on page 7, line 1, after the figures "\$250,000", to insert a colon and the following:

Provided, That of the provisions of law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the armed forces of the United States or any component thereof, only those conferring rights, privileges, or benefits upon persons during the time they are on

active duty and those listed below shall, after the date of enactment of this act, be deemed to apply to persons for service in the Philippine Scouts under the provisions of section 14 of the act approved October 6, 1945 (Public Law 190, 79th Cong.):

(1) The provisions of the act of March 9, 1928 (45 Stat. 251), as amended, relating to funeral expenses;

(2) Provisions of law authorizing the payment to enlisted men of a travel allowance upon discharge;

(3) Provisions of law authorizing retirement and prescribing or governing pay for Philippine Scouts placed on the retired list;

(4) The provisions of the act of December 17, 1919 (41 Stat. 367), as amended, authorizing the payment of a death gratuity equal to 6 months' active-duty pay to the dependents of military personnel whose death occurs while on active duty;

(5) The provisions of the Mustering-Out Payment Act of 1944 (Public Law 225, 78th Cong.), except that for the purpose of computing such payments for service in the Philippine Scouts, service wholly performed in the Philippine Islands shall be compensated for on the same basis as service wholly performed within the United States; and

(6) The provisions of laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death: *Provided further*, That payments made under the provisions of any law referred to in clauses (5) and (6) above shall be paid at the rate of one Philippine peso for each dollar authorized by such law: *And provided further*, That the provisions of the National Service Life Insurance Act of 1940, as amended, shall apply to persons who serve in the Philippine Scouts under the provisions of section 14 of the act approved October 6, 1945, only insofar as such provisions relate to contracts of insurance heretofore entered into.

The amendment was agreed to.

The next amendment was, on page 9, like 14, after the figure "\$50,000,000", to strike out the comma and "and no part of such subappropriation shall be available after February 25, 1946, for acquiring land or building permanent structures within the continental limits of the United States, except structures not costing more than \$20,000."

The amendment was agreed to.

The next amendment was, on page 12, line 14, after "In all, title II", to strike out "\$1,615,926,369" and insert "\$1,554,490,612."

The amendment was agreed to.

The next amendment was, under the heading "Title III—Naval Establishment", on page 12, line 17, after the numeral "1946", to strike out "\$75,000" and insert "\$36,000."

The amendment was agreed to.

The next amendment was, at the top of page 13, to strike out:

Naval Training Station, Port Deposit, Md., 1946, \$200,000.

The amendment was agreed to.

The next amendment was on page 14, after line 6, to strike out:

Pay and subsistence of naval personnel, 1946, \$400,000,000.

The amendment was agreed to.

The next amendment was, on page 14, line 11, after the numerals "1946", to strike out "\$15,000,000" and insert "\$13,657,000."

The amendment was agreed to.

The next amendment was, on page 14, line 12, after the numerals "1946", to

strike out "\$150,000,000" and insert "\$119,474,300."

The amendment was agreed to.

The next amendment was, on page 15, line 2, after the figures "\$190,000,000", to strike out the comma and "and the contractual authorization for 'Public Works, Bureau of Yards and Docks', available in the fiscal year 1946, is hereby further reduced in the sum of \$5,000,000, applicable to projects within the continental limits of the United States, and neither the appropriation nor contractual authorization under this head shall be available after February 25, 1946, for the acquisition of land, except in pursuance of a specific appropriation" and insert a colon and the following: "Provided, That the restriction on the use of the appropriation and contract authorization in the amount of \$1,500,000 applying exclusively for field house at United States Naval Academy, Annapolis, Md., including acquisition of land and accessories as authorized by law is hereby canceled."

The amendment was agreed to.

The next amendment was, on page 15, line 20, after the numerals "1946", to strike out "\$215,887,000" and insert "\$165,682,000"; and on page 16, line 4, after the word "to", to strike out "\$627,884,450" and insert "\$678,089,450."

The amendment was agreed to.

The next amendment was, on page 16, line 15, after the figures "\$20,387,000" to insert a colon and the following proviso: "Provided, That the proviso in Public Law 301, Seventy-ninth Congress, approved February 16, 1946, under the head of 'Increase and replacement of naval vessels, emergency construction', is amended to the extent that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 percent on that date will be completed."

The amendment was agreed to.

The next amendment was, under the subhead "Transfer of appropriations", on page 19, line 3, after the numerals "1943", to strike out "\$4,500,000" and insert "\$5,000,000."

The amendment was agreed to.

The next amendment was, on page 19, line 15, after the words "In all", to strike out "\$37,476,640" and insert "\$37,976,640."

The amendment was agreed to.

The next amendment was, under the subhead "Naval stock account and fund", on page 19, line 21, after the word "to", to strike out "\$1,650,000,000" and insert "\$2,000,000,000."

The amendment was agreed to.

The next amendment was, on page 19, line 24, after "In all, title III", to strike out "\$3,266,992,924" and insert "\$2,784,680,224."

The amendment was agreed to.

The next amendment was, at the top of page 20, line 1, in the subhead, after the word "General", to strike out "Provision" and insert "Provisions", so as to make the subhead read "General Provisions."

The amendment was agreed to.

The next amendment was, on page 20, after line 14, to insert:

The defense aid (lend-lease) appropriations made to the President are hereby relieved from reimbursing the appropriations

of the Military Establishment and the appropriations of the Navy Department and the naval service for any amounts owing on the date of this act to such appropriations for materials, supplies, equipment, or services which, pursuant to the authorization or direction of the former Foreign Economic Administration or the State Department, were furnished by either the War or the Navy Department to any foreign government under the provisions of the Lend-Lease Act, as amended.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is before the Senate and open to further amendment.

Mr. WILEY. Mr. President, I understand that this is the Surplus Appropriation Rescission Act of 1946.

Mr. McKELLAR. Yes. It is an amendment to the act which was passed some time ago.

Mr. WILEY. I understand that the total rescission amounts to \$6,664,469,002, as shown on page 10 of the committee report. The bill merely rescinds appropriations which have been heretofore made. Am I correct in that statement?

Mr. McKELLAR. The Senator is correct.

Mr. WILEY. I thank the Senator.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 5604) was read the third time, and passed.

Mr. McKELLAR. I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

Mr. WHERRY. Mr. President, before the motion of the Senator from Tennessee is acted upon, I wish to ask the Senator a question.

Mr. McKELLAR. I yield.

Mr. WHERRY. Some of us would like to know whether the amount of rescission in the Senate version of the bill is the same as that contained in the bill as passed by the other House?

Mr. McKELLAR. It will be found on page 2 of the report that the House figure has been reduced by \$549,948,457.

Mr. WHERRY. I thank the Senator.

Mr. McKELLAR. Most of that amount was represented by a retraction in the item, "Pay of the Army and the Navy." The testimony before the committee was to the effect that both the Army and the Navy were already facing a deficit in the item, "Pay of personnel," and the committee was of the opinion that the rescission proposed by the House would only add to the deficit. That explains largely the retraction recommended by the committee.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. BROOKS, Mr.

BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

Mr. McKELLAR. Mr. President, I thank the Senate, and especially the Senator from Ohio [Mr. TAFT], who wishes to address the Senate.

VOTING BY MEMBERS OF THE ARMED FORCES AND CERTAIN OTHERS

Mr. TAFT. Mr. President, I was excused from attendance of the Senate and was unable to be present last Saturday when the Senate passed House bill 5644, commonly known as the soldier vote bill, which abolished the Federal ballot. I thoroughly approve of the action which was taken by the Senate in connection with the bill and the abolition of the Federal ballot. But I wish to make a few comments which I would have made if I had been present while the bill was being considered by the Senate.

The controversy regarding the Federal ballot was prolonged. It was a bitter political issue and on January 25, 1944 the Congress received a Presidential message dealing with this subject, one of the most intolerant messages I have ever read. I ask unanimous consent to have it incorporated in full at this point in the RECORD as a part of my remarks.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

To the Congress of the United States:

The American people are very much concerned over the fact that the vast majority of the 11,000,000 members of the armed forces of the United States are going to be deprived of their right to vote in the important national election this fall unless the Congress promptly enacts adequate legislation. The men and women who are in the armed forces are rightfully indignant about it. They have left their homes and jobs and schools to meet and defeat the enemies who would destroy all our democratic institutions, including our right to vote. Our men cannot understand why the fact that they are fighting should disqualify them from voting.

It has been clear for some time that practical difficulties and the element of time make it virtually impossible for soldiers and sailors and marines spread all over the world to comply with the different voting laws of 48 States, and that unless something is done about it they will be denied the right to vote. For example, the statutes of four of the States permit no absentee voting at all in general elections. Eleven other States require registration in person in order to be able to vote. Others permit absentee registration; but in some instances the procedure is so complicated and the time is so limited that soldiers and sailors in distant parts of the world cannot practically comply with the State requirements.

But even if the registration requirements were met, there are still innumerable difficulties involved. For example, Pvt. John Smith in Australia and his brother Joe who is on a destroyer off the coast of Italy, who think they are entitled to vote as well as to fight, find that they have to write in and ask the appropriate public official in their own State for absentee ballots. In every State those ballots cannot even be printed until after the primary elections, and in 14 States the primaries do not take place until September. In due time the ballots are printed, but they cannot always be sent out immediately, since in about half the States the absentee ballots cannot be mailed until 30 days or less before the election. Weeks after they are mailed out, they reach John Smith in Australia and Joe aboard his destroyer. Even assuming that John and Joe,

79TH CONGRESS
2^D SESSION

H. R. 5604

IN THE HOUSE OF REPRESENTATIVES

APRIL 8, 1946

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the appropriations and contractual authorizations of the
4 departments and agencies available in the fiscal year 1946,
5 and prior year unreverted appropriations, are hereby reduced
6 in the sums hereinafter set forth, such sums to be carried to
7 the surplus fund and covered into the Treasury immediately
8 upon the approval of this Act:

1 TITLE I—EXECUTIVE OFFICE OF THE PRESI-
2 DENT, INDEPENDENT OFFICES, AND EXECU-
3 TIVE DEPARTMENTS

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 OFFICE FOR EMERGENCY MANAGEMENT

6 National War Labor Board:

7 Salaries and expenses, \$1,600,000.

8 Office of Scientific Research and Development:

9 Salaries and expenses, \$555,000.

10 War Shipping Administration:

11 Revolving fund, \$375,000,000.

12 Maritime training fund, \$2,000,000.

13 Marine and war risk insurance fund, revolving fund,

14 \$60,000,000.

15 Office of Censorship: Salaries and expenses, \$415,400.

16 Petroleum Administration for War:

17 Salaries and expenses, \$200,000.

18 In all, Office for Emergency Management, \$439,-

19 770,400.

20 EMERGENCY FUNDS APPROPRIATED TO THE
21 PRESIDENT

22 Defense aid—lend-lease, \$1,080,000,000, to be deducted
23 from such of the categories specified in the various appro-
24 priation acts as may be determined by the Secretary of State
25 or such official as he shall designate.

INDEPENDENT OFFICES

Employees' Compensation Commission: Employees' compensation fund, \$1,300,000.

United States Maritime Commission: Construction fund, Act of June 29, 1936, revolving fund, \$300,068,000.

FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$125,000.

FEDERAL WORKS AGENCY

Office of the Administrator:

War public works (community facilities), \$5,750,000.

Liquidation of Work Projects Administration, 1944, \$120,000.

Work relief in Puerto Rico and the Virgin Islands, 1944, \$1,000,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$75,000.

Public Roads Administration: Flight strips (national defense), \$56,732, and such additional amount as may remain unobligated.

In all, independent offices, \$308,494,732.

1 EXECUTIVE DEPARTMENTS

2 [Non-War]

3 DEPARTMENT OF AGRICULTURE

4 Emergency supplies for Territories and possessions,
5 (1)\$5,000,000 \$3,800,000.

6 DEPARTMENT OF THE INTERIOR

7 Office of Fishery Coordination: Salaries and expenses,
8 \$12,000.

9 Emergency funds appropriated to the President:

10 Emergency fund for the President, national defense
11 (allotment to Interior, Territories and island posses-
12 sions), \$1,391,143.

13 DEPARTMENT OF JUSTICE

14 Legal activities and general administration: Salaries and
15 expenses, Lands Division, \$300,000.

16 In all, executive departments, (2)\$6,703,143 \$5,503,-
17 143.

18 In all, title I, (3)\$1,834,968,275 \$1,833,768,275.

19 Miscellaneous Provisions, Title I

20 REDUCTIONS IN CONTRACTUAL AUTHORIZATIONS

21 Contractual authorizations of the departments and agen-
22 cies available in the fiscal year 1946 are hereby reduced in
23 the sums hereinafter set forth:

INDEPENDENT OFFICES

United States Maritime Commission: Construction fund,
Act June 29, 1936, revolving fund, \$460,000,000.

Federal Works Agency, Public Buildings Administration: Construction of buildings in the District of Columbia,
\$3,673,001.

REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE
EXPENSES

Limitations on amounts from funds of corporations and
other agencies for administrative expenses are hereby reduced in the following sums:

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management, Foreign Economic
Administration:

Rubber Development Corporation, \$160,000.

U. S. Commercial Company, \$250,000.

INDEPENDENT OFFICES

Federal Loan Agency, Reconstruction Finance Corporation:

Administrative expenses, Reconstruction Finance
Corporation and its affiliated organizations, \$7,000,000.

1 CORPORATE FUNDS TO BE TRANSFERRED TO THE
2 TREASURY

3 EXECUTIVE OFFICE OF THE PRESIDENT

4 Office for Emergency Management:

5 Office of Inter-American Affairs: The Director of
6 the Office of Inter-American Affairs is hereby directed
7 to deposit in the Treasury of the United States as mis-
8 cellaneous receipts the following sums representing ex-
9 cess funds of corporations created by the Coordinator of
10 Inter-American Affairs under authority of law:

11 Institute of Inter-American Transportation,
12 \$171,890.

13 Inter-American Navigation Corporation, \$175,000.

14 Prencinradio, Incorporated, \$100,000.

15 TITLE II—MILITARY ESTABLISHMENT

16 Office of Secretary of War:

17 Expediting Production of Equipment and Supplies
18 for National Defense, 1940-1946, \$20,545,000.

19 General Staff Corps:

20 Special Field Exercises, Army, 1942-1946,
21 \$2,413,868.

22 Adjutant General's Department:

23 Command and General Staff School, Fort Leaven-
24 worth, Kansas, 1942-1946, \$20,000.

25 Finance Department:

1 Finance Service, Army, 1942-1946, ~~(4)~~\$66,140,-
 2 ~~457~~ \$4,704,700, and subappropriations under this head
 3 are hereby decreased as follows: (1) ~~(5)~~Pay of the
 4 ~~Army, \$61,435,757; (6)~~(2) Expenses of courts mar-
 5 tial, \$4,700; ~~(7)~~(3) (2) apprehension of deserters,
 6 \$450,000; ~~(8)~~(4) (3) Finance Service, \$4,000,000,
 7 and ~~(9)~~(5) (4) claims for damages due to loss or
 8 destruction of property, or personal injury, or death,
 9 \$250,000 ~~(10)~~: *Provided, That of the provisions of law*
 10 *of the United States conferring rights, privileges, or*
 11 *benefits upon any person by reason of the service of*
 12 *such person or the service of any other person in the*
 13 *armed forces of the United States or any component*
 14 *thereof, only those conferring rights, privileges, or bene-*
 15 *fits upon persons during the time they are on active*
 16 *duty and those listed below shall, after the date of*
 17 *enactment of this Act, be deemed to apply to persons*
 18 *for service in the Philippine Scouts under the pro-*
 19 *visions of section 14 of the Act approved October 6,*
 20 *1945 (Public Law 190, Seventy-ninth Congress):*

21 (1) *The provisions of the Act of March 9,*
 22 *1928 (45 Stat. 251), as amended, relating to fu-*
 23 *neral expenses;*

24 (2) *Provisions of law authorizing the payment*
 25 *to enlisted men of a travel allowance upon discharge;*

1 (3) Provisions of law authorizing retirement
2 and prescribing or governing pay for Philippine
3 Scouts placed on the retired list;

4 (4) The provisions of the Act of December 17,
5 1919 (41 Stat. 367), as amended, authorizing the
6 payment of a death gratuity equal to six months'
7 active-duty pay to the dependents of military per-
8 sonnel whose death occurs while on active duty;

9 (5) The provisions of the Mustering-Out Pay-
10 ment Act of 1944 (Public Law 225, Seventy-eighth
11 Congress), except that for the purpose of computing
12 such payments for service in the Philippine Scouts,
13 service wholly performed in the Philippine Islands
14 shall be compensated for on the same basis as service
15 wholly performed within the United States; and

16 (6) The provisions of laws administered by
17 the Veterans' Administration providing for the pay-
18 ment of pensions on account of service-connected
19 disability or death:

20 *Provided further, That payments made under the pro-*
21 *visions of any law referred to in clauses (5) and (6)*
22 *above shall be paid at the rate of one Philippine peso*
23 *for each dollar authorized by such law: And provided*
24 *further, That the provisions of the National Service Life*
25 *Insurance Act of 1940, as amended, shall apply to*

persons who serve in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945, only insofar as such provisions relate to contracts of insurance heretofore entered into.

Quartermaster Corps:

Quartermaster Service, Army, 1942-1946, subappropriation "Welfare of enlisted men", \$5,400,000.

Transportation Corps:

Transportation Service, Army, 1945-1946, \$80,000,000.

Signal Corps:

Signal Service of the Army, 1942-1946, \$85,000,000.

Air Corps:

Air Corps, Army 1942-1946, \$1,000,000,000.

Medical Department:

Medical and Hospital Department, Army, 1942-1946, \$27,615,000.

Corps of Engineers:

Engineer Service, Army, 1942-1946, subappropriation "Engineer Service". \$50,000,000 (11), and no part of such subappropriation shall be available after February 25, 1946, for acquiring land or building permanent structures within the continental limits of the

1 United States, except structures not costing more than
2 \$20,000.

3 Repair of arsenals, Army, 1942-1946, \$661,905.

4 Repair of arsenals, emergency construction, no year,
5 \$480.

6 Acquisition of land, Panama, Army, no year,
7 \$395,593.

8 Acquisition of land, Buchanan, Puerto Rico, no year,
9 \$8,284.

10 Acquisition of land, Act June 26, 1940, no year,
11 \$13,254.

12 Acquisition of land for military purposes, national
13 defense, no year, \$360,941.

14 Acquisition of land, San Bernardino, Kern, Los
15 Angeles Counties, California, no year, \$1,470.

16 Acquisition of land, Ogden Ordnance Depot, Utah,
17 no year, \$60,420.

18 Sites for military purposes, no year, \$10,065.

19 Construction of buildings, utilities, and appurtenances
20 at military posts, no year, \$12,533,633.

21 Office buildings and appurtenances, War Depart-
22 ment, Arlington County, Virginia, no year, \$157.

23 Buildings for United States representatives, Philip-
24 pine Islands, no year, \$304.

1 Ordnance Department:

2 Ordnance Service and Supplies, Army, 1942-1946,
3 \$201,035,000.

4 Chemical Warfare Service:

5 Chemical Warfare Service, Army, 1942-1946,
6 \$21,600,000.

7 Special Service Schools:

8 Special Service Schools, Army, 1942-1946,
9 \$382,500, and subappropriations under this head are
10 hereby decreased as follows: (1) Infantry School,
11 \$181,200; (2) Cavalry activities, \$30,300; (3)
12 Field Artillery activities, \$130,500; and (4) Coast
13 Artillery activities, \$40,500.

14 Armored force:

15 Instruction in armored force activities, 1942-1946,
16 \$83,000.

17 Seacoast defenses:

18 Seacoast defenses, general, 1942-1946, \$14,683,000,
19 and no part of such appropriation shall be available
20 after February 25, 1946, for the acquisition of land.

21 Seacoast defenses, general, no year, \$9,698,373.

22 Seacoast defenses, no year, \$708,225.

23 Seacoast defenses, Insular Departments, no year,
24 \$50,456.

25 Seacoast defenses, Panama Canal, no year, \$622,470.

1 United States Military Academy: Pay of Military
2 Academy, 1942-1946, \$126,272.

3 Citizens' Military Training:

4 Military supplies and equipment for schools and
5 colleges, 1942-1946, \$6,083.

6 National Board for Promotion of Rifle Practice, Army:

7 Promotion of rifle practice, 1942-1946, \$17,500.

8 Inter-American Relations, War Department:

9 Inter-American Relations, War Department, 1943-
10 1946, \$30,000.

11 National defense activities, War Department, 1942-
12 1946, \$2,659.

13 Office of the Secretary:

14 Contingent expenses, War Department, 1942-1946,
15 \$1,200,000.

16 Printing and binding, War Department, 1942-1946,
17 \$4,500,000.

18 Emergency funds appropriated to the President:

19 Emergency fund for the President, national defense
20 (allotment to War), 1942-1946, \$10,000,000.

21 In all, title II, (12) ~~\$1,615,926,369~~ \$1,554,490,612.

22 TITLE III—NAVAL ESTABLISHMENT

23 Office of the Secretary:

24 Naval Research Laboratory, 1946, (13) ~~\$75,000~~ \$36,-
25 000.

1 Ocean and lake surveys, Navy:

2 Fiscal year 1944, \$48,925.

3 Fiscal year 1945, \$7,953.

4 Bureau of Naval Personnel:

5 Naval Training Station, Lake Pend Oreille, Idaho, 1944,
6 \$11,486.

7 (14) Naval Training Station, Port Deposit, Maryland, 1946,
8 \$200,000.

9 Libraries, Navy, 1945, \$171,373.

10 Welfare and Recreation, Navy:

11 Fiscal year 1945, \$1,968,936.

12 Fiscal year 1946, \$2,000,000.

13 Naval Reserve Officers' Training Corps:

14 Fiscal year 1944, \$8,608.

15 Fiscal year 1945, \$62,595.

16 Fiscal year 1946, \$250,000.

17 Naval prison farms and prison personnel (receipt limi-
18 tation), 1944, \$38.

19 Bureau of Ships:

20 Maintenance, Bureau of Ships:

21 Fiscal year 1942, \$3,090,591.

22 Fiscal year 1943, \$53,724,957.

23 Fiscal year 1946, \$30,000,000: *Provided*, That this
24 appropriation shall be available for continuing the pur-
25 poses of the appropriation "Defense installations on mer-

1 chant vessels, Navy", when such latter appropriation is
2 exhausted.

3 Bureau of Ordnance:

4 Ordnance and ordnance stores, Navy:

5 Fiscal year 1945, \$205,247,233.

6 Fiscal year 1946, \$100,000,000.

7 Bureau of Supplies and Accounts:

8 Pay, subsistence, and transportation, Navy, 1944,

9 \$2,763,960.

10 (15) Pay and subsistence of naval personnel, 1946,

11 \$400,000,000.

12 Maintenance, Bureau of Supplies and Accounts:

13 Fiscal year 1944, \$5,000,000.

14 Fiscal year 1946, (16) ~~\$15,000,000~~ \$13,657,000.

15 Transportation of things, Navy, 1946, (17) ~~\$150,000,~~

16 ~~000~~ \$119,474,300.

17 Fuel and transportation, Navy, 1945, \$20,000,000.

18 Naval Stock Fund, \$275,000,000.

19 Bureau of Medicine and Surgery:

20 Medical Department, Navy:

21 Fiscal year 1944, \$2,372,599.

22 Fiscal year 1945, \$7,000,000.

23 Fiscal year 1946, \$17,000,000.

24 Bureau of Yards and Docks:

Maintenance, Bureau of Yards and Docks:

Fiscal year 1944, \$1,500,000.

Fiscal year 1945, \$4,000,000.

Fiscal year 1946, \$100,000.

Public Works, Bureau of Yards and Docks, \$190,-
000,000 (18),—and the contractual authorization for “Public

Works, Bureau of Yards and Docks”, available in the fiscal
year 1946, is hereby further reduced in the sum of \$5,000,-

000, applicable to projects within the continental limits of the

United States (19),—and neither the appropriation nor con-

tractual authorization under this head shall be available after

February 25, 1946, for the acquisition of land, except in pur-

suanee of a specific appropriation (20): *Provided, That the*

restriction on the use of the appropriation and contract author-

ization in the amount of \$1,500,000 applying exclusively for

field house at United States Naval Academy, Annapolis,

Maryland, including acquisition of land and accessories as

authorized by law is hereby canceled.

Bureau of Aeronautics:

Aviation, Navy:

Fiscal year 1943, \$265,000,000.

Fiscal year 1943–1944, \$10,000,000.

Fiscal year 1944, \$260,000,000.

Fiscal year 1946, (21)\$245,887,000 \$165,682,-

000, and subappropriations under this head are hereby decreased as follows: (1) New construction and procurement of aircraft and equipment, spare parts, and so forth, from "\$128,116,900" to "\$94,737,200"; (2) replacement of navigational and radio equipment for aircraft in service, and so forth, from "\$44,934,000" to "\$34,917,200"; and (3) maintenance, repair, and operation of aircraft factory, air stations, and so forth, from "\$800,374,950" to **(22)** ~~"\$627,884,450"~~ "\$678,089,450".

Marine Corps:

General expenses, Marine Corps:

Fiscal year 1944, \$10,000,000.

Fiscal year 1945, \$10,000,000.

Increase and replacement of naval vessels:

Increase and replacement of naval vessels, construction and machinery, \$602,491,000.

Increase and replacement of naval vessels, armor, armament and ammunition, \$338,848,000.

Increase and replacement of naval vessels, emergency construction, \$20,387,000 **(23)**: *Provided, That the proviso in Public Law 301, Seventy-ninth Congress, approved February 16, 1946, under the head of "Increase and replacement of naval vessels, emergency construction", is amended to the extent that combatant vessels under construction on March 1, 1946, whose*

percentage of construction exceeded 20 per centum on that date will be completed.

Repair facilities, Navy:

Repair facilities, Navy, \$18,281,000.

Coast Guard:

Pay and allowances, Coast Guard:

Fiscal year 1944, \$11,816,086.

Fiscal year 1945, \$5,940,838.

Fiscal year 1946, \$7,000,000.

General expenses, Coast Guard:

Fiscal year 1944, \$136,250.

Fiscal year 1945, \$48,286.

Fiscal year 1946, \$1,500,000.

Retired pay, former Lighthouse Service, Coast Guard,

1946, \$41,000.

Salaries (24) and expenses, Merchant Marine Inspection,

Coast Guard, 1945, \$5,985.

NAVY DEPARTMENT

Salaries:

Salaries, Compensation Board, 1944, \$109.

Salaries, Bureau of Naval Personnel, 1945, \$577.

Salaries, Hydrographic Office:

Fiscal year 1944, \$65,119.

Fiscal year 1945, \$30,461.

Salaries, Bureau of Ships, 1945, \$7.

1 Salaries, Bureau of Supplies and Accounts, 1945,
2 \$33,299.

3 Salaries, Bureau of Yards and Docks, 1945, \$153.

4 Contingent expenses:

5 Contingent expenses, Navy Department, 1945,
6 \$106,000.

7 The amount which may be transferred to this appro-
8 priation from other appropriations contained in the Naval
9 Appropriation Act, 1946, is hereby decreased from "\$5,500,-
10 000" to "\$4,000,000".

11 Printing and binding, Navy Department, 1945,
12 \$2,118,500.

13 The amount which may be transferred to this appro-
14 priation from other appropriations contained in the Naval
15 Appropriation Act, 1946, is hereby decreased from "\$18,-
16 500,000" to "\$8,500,000".

17 Contingent and miscellaneous expenses, Hydrographic
18 Office:

19 Fiscal year 1945, \$52,000.

20 Fiscal year 1946, \$600,000.

21 TRANSFER OF APPROPRIATIONS

22 Transfers of the amounts hereinafter set forth shall be
23 made from the appropriation "Aviation, Navy, 1946," to
24 the following appropriations:

- 1 Navy War College, 1946, \$37,000;
 2 Naval Training Station, Newport, 1946, \$907,-
 3 000;
 4 Pay, Naval Academy, 1946, \$159,000;
 5 Naval Home, 1946, \$12,640;
 6 Pay, subsistence and transportation, 1943, ~~(25)~~\$4,-
 7 ~~500,000~~ \$5,000,000;
 8 Maintenance, Bureau of Supplies and Accounts,
 9 1943, \$350,000;
 10 Maintenance, Bureau of Supplies and Accounts,
 11 1945, \$29,364,000;
 12 Fuel and transportation, Navy, 1944, \$1,415,000;
 13 Salaries, Office of the Commandant, United States
 14 Coast Guard, 1946, \$265,000;
 15 Civilian employees, Coast Guard, 1946, \$395,000;
 16 Salaries, Merchant Marine Inspection, 1946,
 17 \$72,000;
 18 In all, ~~(26)~~\$37,476,640 \$37,976,640.

19 NAVAL STOCK ACCOUNT AND FUND

- 20 Effective April 1, 1946, the limitation, specified in the
 21 First Supplemental National Defense Appropriation Act of
 22 1944, on the value of stock in the "Naval Stock Account"
 23 plus outstanding obligations under the "Naval Stock Fund"
 24 shall be reduced from \$2,250,000,000 to ~~(27)~~\$1,650,000,-

1 ~~000~~ \$2,000,000,000 and thereafter said stock and obligations
 2 shall not exceed at any time said latter amount.

3 In all, title III, (28)~~\$3,266,992,924~~ \$2,784,680,224.

4 GENERAL (29)~~PROVISION~~ PROVISIONS

5 The War and Navy Departments are hereby relieved
 6 from reimbursing each other from the appropriations of the
 7 “Military Establishment” and the appropriations of the
 8 “Navy Department and the Naval Service” for the amounts
 9 which on the date of this act may be owing by either
 10 Department to the other (exclusive of working fund ac-
 11 counts) for materials, supplies, equipment, or services fur-
 12 nished to either of said departments by the other, prior to
 13 September 1, 1945: The department furnishing such mate-
 14 rials, supplies, equipment, and services shall be responsible
 15 for the expenses arising in connection with the termination
 16 of contracts or settlement of the accounts in connection
 17 therewith.

18 (30)*The defense aid (lend-lease) appropriations made to*
 19 *the President are hereby relieved from reimbursing the ap-*
 20 *propriations of the “Military Establishment” and the appro-*
 21 *priations of the “Navy Department and the Naval Service”*
 22 *for any amounts owing on the date of this Act to such appro-*
 23 *priations for materials, supplies, equipment, or services*
 24 *which, pursuant to the authorization or direction of the*
 25 *former Foreign Economic Administration or the State De-*

1 *partment, were furnished by either the War or the Navy*
2 *Department to any foreign government under the provisions*
3 *of the Lend-Lease Act, as amended.*

4 SEC. 301. This Act may be cited as the "Second Sup-
5 plemental Surplus Appropriation Rescission Act, 1946".

Passed the House of Representatives March 13, 1946.

Attest: SOUTH TRIMBLE,
Clerk.

Passed the Senate with amendments April 8 (legislative
day, March 5), 1946.

Attest: LESLIE L. BIFFLE,
Secretary.

79TH CONGRESS
2^D SESSION

H. R. 5604

AN ACT

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 8, 1946

Ordered to be printed with the amendments of the
Senate numbered

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued May 1, 1946
For actions of April 30, 1946
79th-2nd, No. 79

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HIGHLIGHTS: Sen. Langer criticized Secretary Anderson's wheat-bonus order stating that it is unfair to farmers who sold wheat earlier and discussed farm-labor and farm-machinery shortages. Received Byrd committee report on postwar civilian personnel and recommendation for smaller personnel ceilings. Sen. Butler introduced measure enabling private corn and wheat purchasers to buy at same price as Government. Rep. Miller criticized Department's wheat-corn-bonus plan as hindering purchase of grain for feed. President approved Philippine trade bill and bill transferring fur-bearing animal activities to this Department.

SENATE,

1. WHEAT BONUS. Sen. Langer, N. Dak., criticized Secretary Anderson's 30¢ per bushel bonus on wheat and discussed with Sen. Young, N. Dak., the farm-labor and farm-machinery shortages, and included constituents' letters protesting the wheat bonus (pp. 4298-9).
2. EXPENDITURES; PERSONNEL REDUCTIONS. Sen. Byrd, Va., submitted the Reduction of Nonessential Federal Expenditures Committee postwar civilian personnel report in which the committee recommends the graduating downward of personnel ceilings in the executive branch, expedient liquidation of war agencies, and legislation fixing standards of personnel reporting and publication (S. Doc. 177) (pp. 4294-6).
3. BRITISH LOAN. Continued debate on S. J. Res. 138; to authorize the loan to Great Britain (pp. 4300-5, 4318-24, 4325-6).
4. FEDERAL-AID AIRPORTS. Agreed, 49-32, to conference report on S. 2, to provide for Federal aid for the development, construction, improvement, and repair of public airports (pp. 4305-18).
5. SURPLUS PROPERTY. Received from the Secretary of State first report on the disposal of U.S. surplus property in foreign areas. To Military Affairs Committee. (p. 4293.)
Sens. Mead (N.Y.), Wherry (Nebr.), and others discussed surplus-property disposals and Sen. Langer, N. Dak., criticized truck disposals to other than farmers and farmers' cooperatives (pp. 4326-32).
6. PRICE CONTROL. Received a Lakewood (N.J.) Pioneer Woman's Club petition urging OPA continuation (p. 4293).

7. FOREIGN RELIEF. S. 2101 (see Digest 78), as passed by the Senate, amends the Trading With the Enemy Act so as to permit individuals, corporations, companies, etc., in the U.S. to donate and transfer or deliver to any individual, etc. in countries in which hostilities have ceased any articles (including food, clothing, and medicine) intended to be used solely to remove human suffering.

HOUSE

8. GRAIN SHORTAGE. Rep. Miller, Nebr., criticized the Department's wheat-corn-bonus plan as hindering farmers in their purchase of grain for feed (pp. 4336-7).
9. SECOND DEFICIENCY APPROPRIATION BILL. Reps. Cannon (Mo.), Ludlow, O'Neal, Johnson (Okla.), Kerr, Taber, Wigglesworth, and Dirksen were appointed conferees on this bill, H.R. 5890 (p. 4336). Senate conferees were appointed Apr. 26.
10. SECOND APPROPRIATION RESCISSIONS BILL. Reps. Cannon (Mo.), Ludlow, O'Neal, Rabaut, Johnson (Okla.), Kerr, Taber, Wigglesworth, and Dirksen were appointed conferees on this bill, H.R. 5604 (p. 4336). Senate conferees were appointed Apr. 8.
11. RURAL REHABILITATION. Received from this Department a report on the progress of the liquidation of Federal rural-rehabilitation projects (p. 4348).
12. PERSONNEL. Received from this Department proposed legislation to provide for salary payments to members of the U.S. armed forces who enter or reenter civilian Government employment while in military pay status prior to assignment to active duty. To Civil Service Committee. (p. 4348.)
- Received from the President CSC's proposed legislation to amend the Classification Act to bring about uniformity and coordination in the allocation of field and departmental positions under the grades of this Act. To Civil Service Committee. (p. 4348.)
13. FOREIGN RELIEF. Received from the President the sixth report on UNRRA operations for the quarter ending Dec. 31, 1945 (p. 4339).
- Received New England college petitions urging adequate relief for war-devastated Europe (p. 4350).
14. GRAIN SHORTAGE. Received citizens' petitions urging legislation to authorize the President and the Secretary of Agriculture to issue directives preventing the use of grain for beverage purposes during the food shortage (p. 4350).
15. BRITISH LOAN. Rep. Rich, Pa., spoke in opposition to the proposed loan to Great Britain and inserted Jesse Jones' alternate recommendations which include a proposal that the CCC be authorized to sell cotton, tobacco, fruits, and other farm products to the United Kingdom on credit equal to her normal imports of such items from the U.S. (pp. 4337-8).
16. SURPLUS PROPERTY. Rep. Church, Ill., criticized the "red tape in the disposal of surplus property" and recommended an investigation by the Expenditures in the Executive Departments Committee (pp. 4339-41).
17. CONTRACT SETTLEMENT. Received from the Office of Contract Settlement the 7th quarterly progress report of that office (p. 4349).
18. PRICE CONTROL. Received a Calif. citizens' petition urging the continuation of price control (p. 4350).

S. 1757. An act to amend the Surplus Property Act of 1944 with reference to veterans' preference, and for other purposes.

BOARD OF VISITORS TO THE UNITED STATES MERCHANT MARINE ACADEMY

The SPEAKER laid before the House the following communication:

APRIL 24, 1946.

The SPEAKER,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: On January 17, 1946, I wrote you that pursuant to Public Law 301 of the Seventy-eighth Congress, I had appointed the following members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Merchant Marine Academy for the year 1946: Hon. EDWARD J. HART, Hon. HERBERT C. BONNER, Hon. FRED BRADLEY.

Mr. BONNER has advised me that he cannot attend the meeting. I have, therefore, appointed Hon. RALPH H. DAUGHTON in Mr. BONNER's place.

Yours very sincerely,

S. O. BLAND,
Chairman.

BOARD OF VISITORS TO THE UNITED STATES COAST GUARD ACADEMY

The SPEAKER laid before the House the following communication:

APRIL 12, 1946.

The SPEAKER,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: Hon. JAMES DOMENGEAUX, of Louisiana, has resigned from the Board of Visitors to the United States Coast Guard Academy and I am writing to advise you that I have appointed Hon. HUGH PETERSON, of Georgia, to serve in his place.

Yours very sincerely,

S. O. BLAND,
Chairman.

SPECIAL ORDER GRANTED

Mr. LANHAM. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and include a letter from Hon. Marriner S. Eccles, Chairman, Board of Governors of the Federal Reserve System, and a statement in regard to a bill which he introduced today.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an article by Raymond Moley, and in the other two editorials from the Denton Journal, Denton, Md.

PERMISSION TO ADDRESS THE HOUSE

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

A FRUSTRATED BUREAUCRAT IS A POOR REPORTER OF FACTS

Mr. COX. Mr. Speaker, an interesting discovery that I made during the recess was that a frustrated bureaucrat is a poor reporter of facts. Messrs. Chester Bowles' and Paul Porter's misrepresentations of the acts and the motives of the House as regards OPA has added nothing to the reputation of these gentlemen for veracity, nor has it contributed anything to the solution of the problem at hand. I would like to commend to the study of these gentlemen two of the most outstanding men in the Truman administration—the Secretary of the Treasury, Fred Vinson, and the Speaker of this House, SAM RAYBURN. If these gentlemen will do this, they will discover that reason and fair play takes a man further than abuse and misrepresentation. The way these gentlemen have squawked, one would think that the House had stabbed them through the heart and spilled their blood all over the ground when, as a matter of fact, it has done no such thing. The House simply stepped on their toes, demonstrating to the country that it has a responsibility to perform, and that it is nobody's hound dog to be kicked around with bureaucratic impunity.

PERMISSION TO ADDRESS THE HOUSE

Mr. GORDON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE LATE STANLEY H. KUNZ

Mr. GORDON. Mr. Speaker, it is with profound regret that I announce the passing of a former Member of this House, who was one of my predecessors, the Honorable Stanley H. Kunz, of the Eighth Congressional District of Illinois, on April 23, 1946, at a ripe age of 81 years.

He was one of the prominent Polish-American leaders of Chicago for many years. At the age of 21 in the year of 1886, he was elected as a State representative, and from that time he was always in public service. For 26 years he served in the Chicago City Council, and was elected to Congress in 1920 and served until 1934.

Stanley Kunz possessed many rare traits, but to me it always seemed that he was one of the most patient, sympathetic, and courteous men I have ever met. Regardless of how heavy his burdens were, he always found time to listen to problems of the people and give counsel, consideration, and advise in the solution of them. His life was one of exceptional service and he practiced the teachings of his faith and sought to live true to the standards set by the Saviour of mankind and at all times, was a true American.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I am one of the few still in Congress who served with Stanley H. Kunz during his 14 years in the House of Representatives. I knew him during those years not only as a United States Representative, but as an alderman of the city of Chicago, as a State senator, and as a member of the Cook County Central Democratic Committee and of the State Democratic Committee. He followed closely Peter Kiolvassa, the first Polish-American to win high public office as city treasurer of Chicago; in earlier years I cooperated with both in the cause of democracy.

Born and educated in New England, Stanley Kunz had a magnificent physique, courage, determination, and a strong will, and a complete mastery of the English language. His boldness and enterprise won the confidence of his people, and he became an outstanding Polish-American leader, not only in his adopted city of Chicago but throughout the Middle West.

Like myself, he was a believer in the true Jeffersonian democracy, which he strongly advocated among his people. Having secured their confidence and cooperation, by his own ability and the charm of his personality, he brought to his American-Polish compatriots the recognition and acceptance which they so eminently deserved. His influence extended far beyond our city and county and throughout our Nation. More, perhaps, than to any other American the Polish-Americans of today owe to Stanley H. Kunz their high prestige in public service.

His indomitable courage was backed by a swift and supple intellect. In the New York National Democratic Convention he more than any other delegate, contributed to the solution of the impasse between McAdoo and Smith, and brought about the nomination of John W. Davis.

Americans of Polish birth or of Polish parentage have lost a strong spokesman, and so has American democracy.

EXTENSION OF REMARKS

Mr. SABATH asked and was given permission to extend his remarks in the RECORD and include an address delivered by him a few weeks ago.

Mr. KOPPLEMANN asked and was given permission to extend his remarks in the RECORD and include an address delivered by himself on the radio with reference to expenditures and balancing the Budget.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MANASCO asked and was given permission to extend his remarks in the RECORD and include two editorials from the New York Times and a newspaper article.

SPECIAL ORDERS GRANTED

Mr. WALTER. Mr. Speaker, I ask unanimous consent that today, following

any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, in the war program the larger manufacturers and the larger mining companies were provided, where necessary, with Government funds and Government-owned equipment. Through the Contract Settlement Act of 1944, Public Law 395, payments for contract termination and reconversion were likewise provided. Although the act was intended to cover the small miners of strategic and critical minerals, it appears that it is not being so administered.

A considerable number of small producers of strategic and critical minerals responded to the Government's urgent call for production, frequently of materials not needed for peacetime use, and upon the termination of the Government programs found themselves with unrecovered investments and no further market for their products.

In order that the House may have full opportunity of considering the matter, I have today introduced a bill which has been prepared by the Small Business Committee of the Senate and introduced in that body by Senator MURRAY, for himself and several other Senators, proposing to extend the operations of the Contract Settlement Act of 1944 to include small miners of strategic and critical minerals.

The proposed amendment is only a reenactment of the War Minerals Relief Act of 1919, expanded to include the minerals and metals designated by Congress as strategic or critical, and amends Public Law 395 so as to utilize the settlement provisions already provided.

CORRECTION OF VOTE

Mr. MARTIN of Massachusetts. Mr. Speaker, on roll call No. 91, on April 17, the gentleman from Wisconsin [Mr. STEVENSON] is recorded as voting "yea." He says his vote was actually "nay." I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SECOND APPROPRIATION RESCISSION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5604, an act reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON of Missouri, LUDLOW, O'NEAL, RABAUT, JOHNSON of Oklahoma, KERR, TABER, WIGGLESWORTH, and DIRKSEN.

SECOND DEFICIENCY APPROPRIATION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5890, an act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON of Missouri, LUDLOW, O'NEAL, JOHNSON of Oklahoma, KERR, TABER, WIGGLESWORTH, and DIRKSEN.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include an editorial from the Homebuilder, and in the other on the subject of the OPA swindle to include a letter.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an article by Ladislav Farago. The Public Printer informs me that this article will cost \$80. Notwithstanding, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the cost and without objection, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. LEMKE (at the request of Mr. ROBERTSON of North Dakota) was given permission to revise and extend his remarks appearing in the RECORD of April 22.

Mr. PITTENGER (at the request of Mr. TABER) was given permission to extend his remarks in the RECORD in two instances and include newspaper items in one and an article in the other.

Mr. PLUMLEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. MUNDT asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include an editorial, and in the other a statement which he made before the House Committee on Ways and Means.

Mr. BENNET of New York asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include a letter and an editorial.

Mr. SHARP asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address delivered by Hon. W. Kingsland Macy following his reelection as president of the National Republican Club of New York City on Tuesday evening, April 23, 1946.

Mr. SCRIVNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a copy of a letter from a constituent.

Mr. WOODRUFF asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a voter in the State of Michigan.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the Appendix of the RECORD on the subject of military discipline in Japan and include a letter from a soldier in Japan.

PERMISSION TO ADDRESS THE HOUSE

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

GOVERNMENT PURCHASE OF CORN

Mr. MILLER of Nebraska. Mr. Speaker, the recent order which offers a bribe of 30 cents a bushel for corn and wheat does give a cloak of respectability to the black market. It is understood that the black-market dealers in corn and wheat now pay about 30 cents above the ceiling in order to get grain. The Government now legalizes these transactions by entering into competition with these black-market racketeers.

The small, honest, legitimate feeder, or the individual desiring grain for the poultry and dairy industries, cannot buy except at the double standard price set by the Government. This price is 30 cents below the black market, so the Government and the black-market boys get all the grain.

Mr. Speaker, I understand the 50,000,000 bushels of corn which is being bought at the 30-cent bribe is to go to the industries producing food from corn. It is hoped that this will take them out of the black market.

It is quite apparent that the Government no longer wants the raiser of hogs to feed them corn, nor do they want corn fed to cattle. There are a great

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

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For actions of May 2, 1946
79th-2nd, No. 81

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HIGHLIGHTS: House received conference report on 2nd deficiency appropriation bill; compromise figures on insect and plant-disease control, rehabilitation of forest recreation areas, and water facilities; provides for return of FCA. House received conference report on 2nd appropriation rescission bill with Senate (smaller) item on supplies for Hawaii. Both Houses received Government-corporations budget for 1947. Senate committee submitted livestock-meat industry report opposing price control and subsidies on meat. Sen. Langer inserted letters favoring his wheat-bonus bill; Rep. Robertson(N.Dak.) introduced and discussed similar bill. Sen. Butler said private corn-wheat purchasers should be permitted to buy at Government prices. Sen. Wherry criticized Anderson meat-quotas proposal. Rep. Voorhis commended USDA's reduction in grain use for alcohol but urged further reduction.

HOUSE

1. **SECOND DEFICIENCY APPROPRIATION BILL.** Received the conference report on this bill, H. R. 5890 (pp. 4440-1). The conferees took the following actions on items of interest to this Department: Insect and plant-disease control, \$100,000 (House figure, \$20,000; Senate, \$350,000). Rehabilitation of forest recreational areas, \$250,000 (House, \$168,000; Senate, \$500,000). Water facilities, \$325,000 (House, \$200,000; Senate, \$500,000). Public Buildings Administration, for re-centralization of departmental functions, \$495,020 (Senate figure), including \$295,020 for FCA. Joint Committee on Nonessential Federal Expenditures, \$20,000 (as proposed by Senate). Agreed to Senate figure on judgments and claims. Struck out items for Federal pay costs, as proposed by the Senate, in view of inclusion of these items in an earlier bill. The conferees reported in disagreement a provision that Federal agencies, on a reimbursable basis, may render aid to the United Nations in the way of supplies, equipment, and services; they submitted a proposed substitute which is to be proposed on the floor of the House.

2. **SECOND APPROPRIATION RESCISSION BILL.** Received the conference report on this bill, H. R. 5604 (pp. 4439-40). The conferees included the item on emergency supplies for territories and possessions at \$3,800,000 (Senate figure; House figure was \$5,000,000). In connection with an Army-Navy lend-lease item, they announced that they will propose transfer of \$135,000,000 to UNRRA.

3. **STATE, JUSTICE, COMMERCE APPROPRIATION BILL.** Continued debate on this bill, H.R. 6056 (pp. 4433-9, 4441-57). Agreed, 141-133, to the resolution waiving points of order (p. 4438-9). At several points during the debate various members discussed whether substantive legislation should be enacted to avoid such resolutions and whether the resolutions are desirable.

4. CORPORATION BUDGETS. Both houses received the President's message transmitting the Budget for 1947 regarding Government corporations. To Appropriations Committees. (pp. 4430-2, 4427.) Only a limited number of copies of this budget will be available for distribution to bureaus and agencies of the Department. If a copy is required for your use, please send your request to the budget office of your agency.
5. INFLATION. Rep. May, Ky., discussed the dangers of inflation and spoke against the House amendments to the price-control bill (p. 4430).
6. REPORTS were received as follows: Textile Foundation, RFC, Justice Department (p. 4458).

SECRET

7. LIVESTOCK AND MEAT. The Agriculture and Forestry Committee submitted an interim report with these statements: (1) Government price controls on livestock and meat have completely broken down, (2) most meat is being sold at black-market prices, (3) there is no shortage of livestock on farms and ranches, (4) the OPA "price squeeze" on slaughterers has forced legitimate slaughterers to close, (5) other legitimate slaughterers are willing to buy livestock at legal prices, but are unable to do so because of black market operators, (6) the meat black market is imperiling the national health, (7) black-market slaughtering is causing loss of byproducts, (8) widespread evasion of price controls has created disrespect for law, (9) thousands of employees of legitimate slaughterers have been laid off, (10) Government-control experience shows the impossibility of controlling livestock and meat prices and meat distribution through Government laws, and (11) removal of price controls and subsidies from livestock and meat will stimulate marketing and production, drive the black-market operators out of business, save untold waste, safeguard the public health, and make a large supply of meat available to all at a lower price than consumers are now paying on the black market and with subsidies. The Committee recommended the removal of all price controls and subsidies on livestock and meat at once. (S. Rept. 1295.) (pp. 4396-8.)
- Sen. Wherry, Nebr., criticized Secretary Anderson's proposal to establish quotas on meat as "emphasizing the distribution of meat when the thing we should emphasize is the production of meat," and recommended the removal of price controls on meat (pp. 4414-6).
8. BRITISH LOAN. Continued debate on S. J. Res. 138, to authorize the loan to Great Britain (pp. 4400-6, 4410-4, 4416-27). During the debate Sen. Wherry, Nebr., inserted a tabulation of surplus property held in stock by the United Kingdom and Sens. Johnson (Colo.) and Shipstead (Minn.) criticized exports of lumber and farm machinery (p. 4406), and Sen. Johnston, S.C., spoke favoring credit, instead of the proposed loan, to Great Britain for the purchase of tobacco, cotton, and other farm products (p. 4427).
9. RURAL REHABILITATION. Received from this Department FSA's report on the progress of liquidation of Federal rural rehabilitation projects. To Appropriations Committee. (p. 4395.)
10. FERTILIZERS. Received from the Federal Trade Commission a report on "International Phosphate Cartels." To Interstate Commerce Committee. (p. 4395.)
11. R.F.C. Received RFC's Jan. 1946 report on the activities of that Corporation. To Banking and Currency Committee. (p. 4395.)

Henry	Mansfield, Tex.	Shafer
Hobbs	Martin, Iowa	Sheridan
Hoeven	Morrow	Sikes
Holifield	Miller, Calif.	Simpson, Ill.
Holmes, Wash.	Monroney	Simpson, Pa.
Hull	Morrison	Slaughter
Jarman	Murphy	Smith, Wis.
Johnson, Ind.	Murray, Wis.	Stevenson
Johnson, Lyndon B.	Norblad	Stewart
Johnson, Okla.	Norton	Stigler
Keefe	O'Konski	Stockman
Kelly, Ill.	Patrick	Sumner, Ill.
Keogh	Patterson	Sumners, Tex.
Kerr	Peterson, Fla.	Tarver
King	Peterson, Ga.	Taylor
LaFollette	Phillips	Thomas, N. J.
Landis	Pickett	Tolan
Lane	Price, Fla.	Vursell
Lea	Rains	Wadsworth
LeCompte	Reece, Tenn.	Weichel
Lemke	Reed, Ill.	Welch
McDonough	Robertson, Va.	White
McGehee	Rodgers, Pa.	Wickersham
McKenzie	Roe, N. Y.	Wilson
Madden	Rogers, Fla.	Winstead
Maloney	Rooney	Wolfenden, Pa.
Mankin	Russell	Wood
	Ryter	Woodhouse

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Wickersham for, with Mr. Taylor against.

Mr. King for, with Mr. Henry against.

Mr. Holifield for, with Mr. Lemke against.

Mr. Dingell for, with Mr. Reed of Illinois against.

Mr. Morrison for, with Mr. Gavin against.

Mr. Sheridan for, with Mr. Rodgers of Pennsylvania against.

Mr. Keogh for, with Mr. Brumbaugh against.

Mr. Doyle for, with Mr. Fuller against.

Mr. Maloney for, with Mr. Gamble against.

Mr. Patrick for, with Mr. Adams against.

Mr. Miller of California for, with Mr. Hartley against.

Mr. Byrne of New York for, with Mr. Arends against.

Mr. Cochran for, with Mr. Johnson of Indiana against.

Mr. John J. Delaney for, with Mr. Harness of Indiana against.

Mr. Mansfield of Texas for, with Mr. Grant of Indiana against.

Mr. Heffernan for, with Mr. Ellsworth against.

Mrs. Woodhouse for, with Mr. Gillie against.

Mr. Lane for, with Mr. Carlson against.

Mr. Robertson of Virginia for, with Mr. Martin of Iowa against.

Mr. Roe of New York for, with Mr. Shafer against.

Mr. Hart for, with Mr. Thomas of New Jersey against.

Mr. Bulwinkle for, with Mr. Simpson of Illinois against.

Mr. Hendricks for, with Mr. Wilson against.

Mr. Buckley for, with Mr. Simpson of Pennsylvania against.

Mr. Rooney for, with Mr. Wolfenden of Pennsylvania against.

Br. Bradley of Pennsylvania for, with Miss Sumner of Illinois against.

General pairs until further notice:

Mr. Slaughter with Mr. Keefe.

Mr. Baldwin of Maryland with Mr. Wadsworth.

Mr. Cannon of Florida with Mr. Hoeven.

Mr. Healy with Mr. Bender.

Mr. Bell with Mr. Hagen.

Mr. Hobbs with Mr. Clason.

Mr. Coffee with Mr. Dirksen.

Mr. Bonner with Mr. Gifford.

Mr. Jarman with Mr. Holmes of Washington.

Mr. Combs with Mr. Anderson of California.

Mr. Boren with Mr. Stockman.

Mr. Lyndon B. Johnson with Mr. Reece of Tennessee.

Mr. Kelly of Illinois with Mr. Stevenson.

Mr. Brooks with Mr. Murray of Wisconsin.

Mr. McGehee with Mr. Smith of Wisconsin.

Mr. Dorngeaux with Mr. LeCompte.

Mr. Monroney with Mr. Morrow.

Mr. Gossett with Mr. Case of South Dakota.

Mr. Stewart with Mr. August H. Andresen.

Mr. Granger with Mr. Gwinn of New York.

Mr. Johnson of Oklahoma with Mr. Welch.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON THE RESCISSION BILL

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted the following conference report and statement on the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year ending June 30, 1946, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11 and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 16, 24, 25, 26, 27, and 29, and agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$57,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Naval Training Station, Port Deposit, Maryland, 1946, \$50,000."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Pay and subsistence of naval personnel, 1946, \$200,000,000."

And the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$125,000,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and neither the appropriation nor contractual authorization under this head shall be available after February 25, 1946, for the acquisition of land (other than for the authorized vessel-berthing program), except in pursuance of a specific appropriation"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree

to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$190,784,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$652,986,950"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,015,379,424"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 10, 20, 23, and 30.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,

Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
M. E. TYDINGS,
RICHARD B. RUSSELL,
C. WAYLAND BROOKS,
STYLES BRIDGES,
CHAN GURNEY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1 to 3, relating to Title I—Executive Office of the President, Independent Offices, and Executive Departments: Rescinds \$3,800,000 of funds under the Department of Agriculture for emergency supplies for territories and possessions, as proposed by the Senate, instead of \$5,000,000, as proposed by the House.

Nos. 4 to 9 and 11 and 12, relating to Title II—Military Establishment: Rescinds \$4,704,700 of appropriation "Finance Service, Army, 1942-46," as proposed by the Senate, instead of \$66,140,457, as proposed by the House; and restores the House provision withdrawing the availability of the subappropriation "Engineer Service" of the appropriation "Engineer Service, Army, 1942-46," for acquiring land or building permanent structures within the continental limits of the United States, except structures not costing more than \$20,000.

Nos. 13 to 19, 21, 22, and 24 to 28, relating to Title III—Naval Establishment: Rescinds \$57,000 of the 1946 appropriation for the Naval Research Laboratory, instead of \$75,000, as proposed by the House, and \$36,000, as proposed by the Senate; rescinds \$50,000 of the 1946 appropriation for the Naval Training Station, Port Deposit, Md., instead of \$200,000, as proposed by the House, and no rescission, as proposed by the Senate; rescinds \$200,000,000 of the 1946 appropriation for pay and subsistence of naval personnel, instead of \$400,000,000, as proposed by the House, and no rescission, as proposed by the Senate; rescinds \$13,657,000 of the 1946 appropriation for maintenance, Bureau of Supplies and Accounts, as proposed by the Senate, instead of \$15,000,000, as proposed by the House; rescinds \$125,000,000 of the 1946

appropriation for transportation of things, Navy, instead of \$150,000,000, as proposed by the House, and \$119,474,300, as proposed by the Senate; restores the House provision reducing by \$5,000,000 the contractual authorization for public works, Bureau of Yards and Docks, with respect to projects within the continental limits of the United States; restores the House provision withdrawing availability of funds or contractual authorization under "Public works, Bureau of Yards and Docks," for the acquisition of land after February 25, 1946, except in pursuance of a specific appropriation, amended to exclude land for the authorized vessel-berthing program; rescinds \$190,784,500 of the 1946 appropriation for aviation, Navy, instead of \$215,837,000, as proposed by the House, and \$165,682,000, as proposed by the Senate; corrects the title of the appropriation for salaries and expenses, Merchant Marine Inspection, Coast Guard, 1945, as proposed by the Senate; transfers an additional amount of \$500,000 from the appropriation "Aviation, Navy, 1946," to supply a deficiency in the appropriation "Pay, subsistence and transportation, 1943," as proposed by the Senate, and reduces the value of stock in the "Naval Stock Account" plus outstanding obligations under the "Naval Stock Fund" from \$2,250,000,000 to \$2,000,000,000, as proposed by the Senate, instead of to \$1,650,000,000, as proposed by the House.

No. 29: Changes a title, as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT

No. 10, relating to rights, privileges, or benefits of persons for service in the Philippine Scouts under the provisions of section 14 of the act approved October 6, 1945 (Public Law 190, 79th Cong.).

It will be proposed to recede and concur in such amendment.

No. 20, canceling authority for and on account of a field house at the Naval Academy.

It will be proposed to recede and concur in such amendment.

No. 23, providing that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 percent on such date, "will be completed."

It will be proposed that the House insist upon its disagreement to the amendment.

No. 30, relieving defense aid (lend-lease) appropriations made to the President from reimbursing appropriations for the Army and Navy.

It will be proposed to recede and concur in such amendment with an amendment, adding before the period at the end thereof the following: "Provided, That of the reduction of \$1,080,000,000 made in the appropriation 'Defense aid-lend-lease' under title I of this Act, \$135,000,000 shall be transferred to the credit of the appropriation 'United Nations Relief and Rehabilitation Administration, 1944-1946,' instead of being carried to the surplus fund and covered into the Treasury."

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,

Managers on the Part of the House.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 10, 11, 14, 36, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 6, 7, 8, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 39, 42, 43, 44, 45, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, and 103, and agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$5,250"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$100,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$250,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$325,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$837,127"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$800,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 40, 46, and 62.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,

Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
M. E. TYDINGS,
RICHARD B. RUSSELL,
C. WAYLAND BROOKS,
STYLES BRIDGES,
CHAN GURNEY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the

Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1 to 5, relating to the Senate: Appropriates an additional amount of \$269,000 for the fiscal year 1946, as proposed by the Senate, and strikes out an appropriation of \$840.34, proposed by the Senate, for payment for services rendered in the office of a Senator.

Nos. 6 and 7, relating to the House of Representatives: Appropriates \$10,000 for payment to the widow of a deceased Representative, as proposed by the Senate, and appropriates \$15,000, as proposed by the Senate, instead of \$5,000, as proposed by the House, for reporting hearings.

No. 8: Appropriates \$20,000 for the Joint Committee on Reduction of Nonessential Federal Expenditures, as proposed by the Senate.

No. 10: Strikes out the appropriation of \$25,000, proposed by the Senate, for the erection of a statue of George Washington on the Capitol Grounds.

No. 11: Strikes out the appropriation of \$27,600, proposed by the Senate, for the Committee on Fair Employment Practice.

No. 12: Increases from \$20,000 to \$30,000 the limitation upon expenditures for printing and binding from the appropriation for salaries and expenses, Petroleum Administration for War, as proposed by the Senate.

No. 13: Increases by \$3,325,000 the limitation upon administrative expenses of the War Shipping Administration (revolving fund), as proposed by the Senate.

No. 14, relating to the Public Health Service: Appropriates \$748,000 for hospitals and medical care, as proposed by the House, instead of \$1,348,000, as proposed by the Senate.

Nos. 15 to 20, relating to the Federal Works Agency, Public Buildings Administration, appropriates for the return of departmental functions to the seat of government \$495,020, as proposed by the Senate, instead of \$200,000, as proposed by the House; appropriates an additional amount of \$1,780,000 for salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area, 1946, as proposed by the Senate; appropriates an additional amount of \$950,000 for salaries and expenses, public buildings and grounds outside the District of Columbia, 1946, as proposed by the Senate; changes a title, as proposed by the Senate, and appropriates for damage claims, Public Roads Administration, \$780,379.53, as proposed by the Senate, instead of \$681,193.83, as proposed by the House.

No. 21: Increases by \$400,000 the funds currently available for salaries and expenses, Federal Housing Administration, 1946, as proposed by the Senate.

Nos. 22, 23, and 24: Appropriates additional amounts for salaries and expenses, 1946, for the Smithsonian Institution, \$18,000, and the National Gallery of Art, \$16,000, as proposed by the Senate.

No. 25: Increases by \$1,330,000 the limitation upon administrative expenses of the United States Maritime Commission, and by \$1,000 the limitation upon expenditures by such Commission for attendance at meetings, as proposed by the Senate.

Nos. 26 to 32, relating to the District of Columbia: Appropriates \$5,250 for the employment of nurses at Gallinger Municipal Hospital, instead of \$7,000, as proposed by the Senate, and appropriates additional amounts, fiscal year 1946, as proposed by the Senate, as follows: Capital outlay, Sewer Division, \$300,000; operating expenses, Water

CONFERENCE REPORT ON SECOND DEFICIENCY APPROPRIATION BILL

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted the following conference report and statement on the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes.

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION
RESCISSION BILL, 1946

MAY 2, 1946.—Ordered to be printed

MR. CANNON of Missouri, from the committee of conference, submitted
the following

CONFERENCE REPORT

[To accompany H. R. 5604]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11 and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 16, 24, 25, 26, 27 and 29, and agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$57,000; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment amended to read as follows:

Naval Training Station, Port Deposit, Maryland, 1946, \$50,000.

And the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment amended to read as follows:

Pay and subsistence of naval personnel, 1946, \$200,000,000.

And the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$125,000,000; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows:

- Restore the matter stricken out by said amendment amended to read as follows: , *and neither the appropriation nor contractual authorization under this head shall be available after February 25, 1946, for the acquisition of land (other than for the authorized vessel-berthing program), except in pursuance of a specific appropriation*; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$190,784,500; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$652,986,950; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,015,379,424; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 10, 20, 23, and 30.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
M. E. TYDINGS,
RICHARD B. RUSSELL,
C. WAYLAND BROOKS,
STYLES BRIDGES,
CHAN GURNEX,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1 to 3, relating to Title I—Executive Office of the President, Independent Offices, and Executive Departments: Rescinds \$3,800,000 of funds under the Department of Agriculture for emergency supplies for Territories and possessions, as proposed by the Senate, instead of \$5,000,000, as proposed by the House.

Nos. 4 to 9 and 11 and 12, relating to Title II—Military Establishment: Rescinds \$4,704,700 of appropriation "Finance Service, Army, 1942-46," as proposed by the Senate, instead of \$66,140,457, as proposed by the House; and restores the House provision withdrawing the availability of the subappropriation "Engineer Service" of the appropriation "Engineer Service, Army, 1942-46," for acquiring land or building permanent structures within the continental limits of the United States, except structures not costing more than \$20,000.

Nos. 13 to 19, 21, 22, and 24 to 28, relating to Title III—Naval Establishment: Rescinds \$57,000 of the 1946 appropriation for the Naval Research Laboratory, instead of \$75,000, as proposed by the House, and \$36,000, as proposed by the Senate; rescinds \$50,000 of the 1946 appropriation for the Naval Training Station, Port Deposit, Md., instead of \$200,000, as proposed by the House, and no rescission, as proposed by the Senate; rescinds \$200,000,000 of the 1946 appropriation for pay and subsistence of naval personnel, instead of \$400,000,000, as proposed by the House, and no rescission, as proposed by the Senate; rescinds \$13,657,000 of the 1946 appropriation for maintenance, Bureau of Supplies and Accounts, as proposed by the Senate, instead of \$15,000,000, as proposed by the House; rescinds \$125,000,000 of the 1946 appropriation for transportation of things, Navy, instead of \$150,000,000, as proposed by the House, and \$119,474,300, as proposed by the Senate; restores the House provision reducing by \$5,000,000 the contractual authorization for public works, Bureau of Yards and Docks, with respect to projects within the continental limits of the United States; restores the House provision withdrawing availability of funds or contractual authorization under "Public works, Bureau of Yards and Docks," for the acquisition of land after February 25, 1946, except in pursuance of a specific appropriation, amended to exclude land for the authorized vessel-berthing program; rescinds \$190,784,500 of the 1946 appropriation for aviation, Navy, instead of \$215,887,000, as proposed by the House, and \$165,682,000, as proposed by the Senate; corrects the title of the appropriation for salaries and expenses, Merchant Marine

Inspection, Coast Guard, 1945, as proposed by the Senate; transfers an additional amount of \$500,000 from the appropriation "Aviation, Navy, 1946," to supply a deficiency in the appropriation "Pay, subsistence and transportation, 1943," as proposed by the Senate, and reduces the value of stock in the "Naval Stock Account" plus outstanding obligations under the "Naval Stock Fund" from \$2,250,000,000 to \$2,000,000,000, as proposed by the Senate, instead of to \$1,650,000,000, as proposed by the House.

No. 29: Changes a title, as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT

No. 10, relating to rights, privileges, or benefits of persons for service in the Philippine Scouts under the provisions of section 14 of the act approved October 6, 1945 (Public Law 190, 79th Cong.).

It will be proposed to recede and concur in such amendment.

No. 20, canceling authority for and on account of a field house at the Naval Academy.

It will be proposed to recede and concur in such amendment.

No. 23, providing that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 per centum on such date, "will be completed."

It will be proposed that the House insist upon its disagreement to the amendment.

No. 30, relieving defense aid (lend-lease) appropriations made to the President from reimbursing appropriations for the Army and Navy.

It will be proposed to recede and concur in such amendment with an amendment, adding before the period at the end thereof, the following:

: *Provided*, That of the reduction of \$1,080,000,000 made in the appropriation "Defense aid-lend-lease" under title I of this Act, \$135,000,000 shall be transferred to the credit of the appropriation "United Nations Relief and Rehabilitation Administration, 1944-1946", instead of being carried to the surplus fund and covered into the Treasury.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the Part of the House.



CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued May 10, 1946
For actions of May 9, 1946
79th-2nd, No. 87

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HIGHLIGHTS: Senate rejected various amendments to British-loan bill, including one by Sen. Langer to limit interest on Government loans to World War II veterans to 1.6%. Senate received Secretary's letter suggesting that Congress consider continuation of Sugar Act. Senate committee submitted investigation report on grazing fees, criticizing stand of Grazing Service. Senate passed bill to continue selective service until June 15 (stop-gap measure). House agreed to special surplus-property investigation. House instructed conferees on Patman housing bill to agree to \$400,000,000 for housing subsidies. House agreed to conference report on appropriation rescission bill which includes Hawaii-supplies item; agreed to transfer of \$135,000,000 to UNRRA. Rep. Schwabe (Okla.) criticized wheat bonus and said Secretary's testimony on OPA extension (re black markets) indicates that Secretary does not believe OPA is a success.

SENATE

- 1. BRITISH LOAN.** Continued debate on S. J. Res. 138, to authorize this loan (pp. 4773-843). Refused, 27-54, to sustain the point of order against constitutionality of the measure's originating in the Senate (p. 4785). Rejected, 19-59, an amendment by Sen. Knowland, Calif., to prohibit payment of the loan fund to Britain until U. S. production equals domestic consumption and the Budget has been balanced (pp. 4800-14). Rejected, 19-54, an amendment by Sen. Aiken, Vt., to limit the loan to \$1,000,000,000 unless Britain eliminates trade barriers (pp. 4814-8). Rejected, 16-50, an amendment by Sen. Taft to reduce the amount of the loan to \$1,250,000,000, to make it subject to an agreement by Britain to use the sum for purchases in the U. S., and to specify that such purchases are controlled under the Export Control Act (pp. 4833-9). Rejected, 12-56, an amendment by Sen. Langer, N. Dak., to limit interest to 1.6% on any Government loans to World War II veterans and to provide that no interest shall accrue for 5 years (pp. 4818-33, 4839-41). Sen. Ellender, La., submitted an amendment to make it a condition of the British loan that 90% of the amount shall be used for purchases in the U. S. (p. 4841).
- 2. SUGAR-ACT CONTINUATION.** Received a letter from the Secretary of Agriculture suggesting that Congress consider whether the Sugar Act of 1937 should be continued and offering to provide information with respect thereto. To Finance Committee. (p. 4785.)
- 3. GRAZING FEES.** The Public Lands and Surveys Committee submitted a report on grazing fees, pursuant to S. Res. 139 (S. Rept. 808, pt. 2) (p. 4785). Chairman McCarran, Nev., discussed the report and criticized the policy of the Grazing Service on this matter (pp. 4785-9).

4. SELECTIVE SERVICE. Passed S. J. Res. 159, to continue the Selective Training and Service Act, with an amendment by Sen. Gurney, S. Dak., to make June 15, 1946, the termination date (pp. 4799-800). It is understood that this is a stop-gap measure to keep the Act from expiring during consideration of the British loan.
5. FERTILIZER; TRANSPORTATION. Sen. Maybank, S. C., inserted several telegrams criticizing the ODT embargo on transportation of nitrate of soda (p. 4790).

HOUSE

6. SURPLUS PROPERTY. Agreed without amendment to H. Res. 385, to direct a special investigation of surplus-property disposal (p. 4845).
7. HOUSING SUBSIDIES. Agreed, 187-158, to a motion by Chairman Spence of the Banking and Currency Committee to instruct the House conferees on H. R. 4761, the Patman Housing bill, to agree to \$400,000,000 (in lieu of the Senate amendment providing for \$600,000,000) for housing subsidies (pp. 4845-60).
8. SECOND SURPLUS APPROPRIATION RESCISSION BILL. Agreed to the conference report on this bill, H. R. 5604 (pp. 4862-3). For provisions of the report see Digest 81. Concurred in the Senate amendment regarding Army-Navy lend-lease, with an amendment to transfer \$135,000,000 to UNRRA (p. 4872).
9. LEND-LEASE. Received from the President a proposed provision continuing defense-aid appropriations for obligation during 1947 to cover liquidation expenses (H. Doc. 568). To Appropriations Committee. (p. 4876.)
10. FLOOD CONTROL. Received from the War Department a survey report on North Canadian River (Okla. and Tex.) and Beaver River (Okla.). To Flood Control Committee. (H. Doc. 572.) (p. 4876.)
11. SELECTIVE SERVICE; VETERANS. The Military Affairs Committee reported with amendment H. R. 4051, to grant to enlisted personnel of the armed forces certain benefits in lieu of accumulated leave (H. Rept. 1990) (p. 4876).
12. WATER COMPACT. The Irrigation and Reclamation Committee reported with amendment H. R. 4701, authorizing Utah, Idaho, and Wyoming to enter into a compact for division of the waters of Bear River and its tributaries (H. Rept. 1994) (p. 4876).

SENATE - May 8

13. SURPLUS PROPERTY. Received from the President supplemental appropriation estimates of \$7,000,000 to enable the State Department to carry out its functions and responsibilities with respect to surplus property disposal abroad (S. Doc. 180). To Appropriations Committee.

BILLS INTRODUCED

14. GRAIN. H.R. 6390, by Rep. Robertson, N. Dak., to provide for the payment of a bonus of 45 cents per bushel for all wheat, 55 cents per bushel for all corn, and 5 cents per bushel for oats purchased and sold between January 1, 1945, and April 18, 1946, and providing for payment of additional bonuses if paid by the United States Government. To Agriculture Committee (p. 4876.)
15. DAYLIGHT SAVING TIME. H.R. 6391, by Rep. McMillan, S. Car., to provide daylight saving in the District of Columbia. To District of Columbia Committee. (p. 4876.)

and no persuasive reason is apparent why this particular group should be afforded more favorable treatment than others similarly situated.

HARRY S. TRUMAN.

THE WHITE HOUSE, May 9, 1946.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on Military Affairs.

There was no objection.

SPECIAL ORDER GRANTED

Mr. PACE. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent that tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CORRECTION OF ROLL CALL

Mr. JACKSON. Mr. Speaker, on roll call 107, a quorum call, I am recorded as absent. I was present and answered to my name. I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

EXTENSION OF REMARKS

Mr. BOREN asked and was given permission to extend his remarks in the RECORD immediately following the last roll call.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. ROONEY asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. ROWAN asked and was given permission to extend his remarks in the RECORD and include a statement entitled "Retirement Legislation for Civilian Component Officers."

Mrs. DOUGLAS of Illinois asked and was given permission to extend her remarks in the RECORD.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include a copy of a report to his constituents.

Mr. SHORT asked and was given permission to extend his remarks in the RECORD and include two letters from a constituent.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include two letters.

Mrs. BOLTON asked and was given permission to extend her remarks in the

RECORD and include an article from the Washington Times-Herald.

Mr. CARLSON asked and was given permission to extend his remarks in the RECORD and include a petition.

Mr. JONKMAN, Mr. RIZLEY, and Mr. EARTHMAN asked and were given permission to extend their remarks in the RECORD.

Mrs. LUCE asked and was given permission to extend her remarks in the RECORD and include a speech delivered by her at the Polish-American Congress in New Britain, Conn.

Mr. STEFAN asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. TABER asked and was given permission to extend his remarks in the RECORD and include a statement he made.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include all or part of a recent radio address.

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Boston Herald.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a speech delivered by Mr. Frederick C. Crawford before the Bureau of Advertising of the American Newspaper Publishers Association.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. AUGUST H. ANDRESEN asked and was given permission to extend his remarks in the RECORD in three instances and to include editorials.

Mr. CLASON asked and was given permission to extend his remarks in the RECORD in two instances and include in one a newspaper article and in the other several letters.

Mrs. SMITH of Maine asked and was given permission to extend her remarks in the RECORD in two instances and include in one a speech made by Colonel Marden at the State Republican convention and in the other a statement made before the Committee on the Merchant Marine and Fisheries on the Coast Guard.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD in four instances and include certain excerpts and letters.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article on the coal strike by a former Member, Samuel B. Pettengill.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD under the heading "Evanston receives first prize."

Mrs. DOUGLAS of California asked and was given permission to extend her remarks in the RECORD in five instances and include certain excerpts.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD at this point and include an editorial from the Cleveland, Ohio, Catholic Chronicle.

A MESSAGE TO OUR REPRESENTATIVES IN THE UNITED NATIONS

Mr. RAMEY. Mr. Speaker, several hundred of our best citizens who are familiar with my work as a jurist prior to my election to National House of Representatives, have written me, the letters being received this day.

I have called the Secretary of State. Their office says they are helpless in view of the fact that those involved are not American citizens. While the Congress of the United States of America has no jurisdiction in the situation, I ask, however, that the Members request our representatives to the United Nations to act now.

There cannot be a lasting peace without justice. Justice is making right what is wrong.

Let there be a complete trial. These sisters of charity are presumed to be innocent until found guilty by a fair trial. The presumption of innocence remains with them until sufficient evidence is submitted to find them guilty beyond a reasonable doubt. The presumption of innocence continues to remain with them until in the minds of a fair tribunal there is an abiding conviction of a moral certainty of their guilt.

The so-called trial was worse than a farce. No trial at all.

To the President of the United States and our representatives in the United Nations: "Time is the essence." Let this situation be corrected at once. No favors are asked. Justice is demanded.

Under leave to extend my remarks, I include the following editorial from the Catholic Chronicle, of Toledo, Ohio:

HELP SAVE THESE NUNS?

What kind of world are we going to have? Here is a case that puts the question to the test.

It puts the United Nations to the test.

It puts the Atlantic Charter to the test.

It puts every decent government and citizen to the test.

It puts to the test everything we fought and worked and prayed for in history's most terrible war.

Unless something is done, three Sisters of Charity in Yugoslavia are going to be hanged or shot by the Tito government.

They are accused of having cooperated in the murder of helpless Partisan soldiers in a hospital. If that were true, they would deserve the death penalty.

But their trial was a mockery.

No defense witnesses were heard.

The sisters were not allowed to defend themselves.

Defense attorneys appointed by the court never once conferred with the accused.

They offered no defense.

On the contrary, they urged the court to inflict the severest penalties on their clients.

In prison, these helpless women were half starved, denied the comforts of religion, and prevented from talking with their superiors.

They were threatened and bullyragged.

Their efforts to defend themselves at the trial were brushed aside.

Marshal Tito's military court condemned the three Sisters of Charity to death, sentenced a fourth to 21 years' imprisonment, and went on to other business.

Is this the kind of world we want? Obviously it isn't.

And we can make that fact clear.

We can write or wire to our President, our Secretary of State, or our representatives in the United Nations.

We can urge organizations of which we may be members or officers to protest.

And we can pray.

This is a matter for every American—for every member of the world community—no matter what his religion or politics.

This newspaper is wiring to President Truman, urging that the United States and the United Nations request of the Government of Yugoslavia a fair, public, unprejudiced trial for Sister Verena Postacz, Sister Zarka Ivasic, and Sister Hubertina Dzimberg, who were condemned to death, and Sister Celestina Radosevic, who was sentenced to 21 years' imprisonment.

We invite all good men and women and organizations to do likewise.

Mr. FEIGHAN. Mr. Speaker, my able and distinguished colleague from Ohio is to be congratulated for his initiative. The gentleman from Ohio [Mr. RAMEY] has clearly and forcefully brought to the attention of the Members of Congress and the Nation the deep concern felt by every true American who believes that our Government should exercise its great power in the interest of justice and righteousness, to see that the members of the religious order who dedicate their lives to ministering to sick, wounded, and suffering humanity should be given an opportunity to have their case presented fairly and without prejudice.

The editorial which appeared in the Catholic Universe Bulletin, of Cleveland, and the Catholic Chronicle, of Toledo, Ohio, which my colleague has brought to the attention of Congress, should stir to action every American citizen who believes that the sacrifices made by Americans for the ideals which they so dearly cherish were not in vain.

I vigorously urge that President Truman and our State Department respond immediately to the appeals for justice. I urge our Government to insist that our representatives to the United Nations Organization act at once in the cause of fairness and humanity.

SPECIAL ORDERS GRANTED

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

LEAVE OF ABSENCE

Mr. BRADLEY of Michigan. Mr. Speaker, as a member of the Board of Visitors to the Merchant Marine Academy, I ask unanimous consent that I be granted leave of absence for the balance of the week.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SPECIAL ORDER VACATED

Mr. HAND. Mr. Speaker, I have been granted a special order for today. I ask unanimous consent that that order be vacated.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CORRECTION OF ROLL CALL

Mr. TARVER. Mr. Speaker, on roll call No. 107 occurring in the House on May 7, 1946, I am recorded as not having answered to my name. I was present and answered to my name. I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD and include a letter from the Administrator of the Civil Aeronautics Administration, together with other information.

SPECIAL ORDER GRANTED

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House today for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

EXTENSION OF REMARKS

Mr. BARDEN asked and was given permission to extend his remarks in the RECORD and include therein an article appearing in the April issue of Hollands Magazine on the Honorable Lindsay C. Warren, Comptroller General of the United States.

CORRECTION OF RECORD

Mr. SABATH. Mr. Speaker, I ask unanimous consent that the RECORD of yesterday on page 4720 be corrected by changing the word "corn" to "cattle" in the first column.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. SAVAGE asked and was given permission to extend his remarks in the RECORD and include a speech he made in New York.

Mr. GAMBLE asked and was given permission to extend his remarks in the RECORD in eight instances and to include editorials and articles.

Mr. PATMAN asked and was given permission to revise and extend the remarks he made today and also to extend his remarks in the Appendix of the RECORD and include certain statements and excerpts.

Mr. KEOGH (at the request of Mr. McCORMACK) was given permission to extend his remarks in the Appendix of the RECORD in two instances.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEOGH] may extend his remarks in the Appendix of the RECORD and include therein an article. The Public Printer states that this article exceeds the limit and costs \$420. I ask unanimous consent notwithstanding the cost that the extension may be made.

The SPEAKER. Notwithstanding the cost and without objection, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report. The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 2, 1946.)

Mr. CANNON of Missouri. Mr. Speaker, if the House follows the recommendation of the Conference Committee, the bill will rescind a total of \$6,268,638,311 of cash appropriations. That means that counting in the amount carried in former rescission bills we have salvaged out of the war up to this time approximately \$62,000,000,000, a sum vastly beyond anything we ever hoped to save at any time during the progress of the war.

This is not all we expect to save. We start hearings shortly on the last rescission bill, which will be reported in June, and expect to add materially to the amount salvaged from the war program.

The amount carried in the conference report, \$6,268,638,311, is \$449,249,257 less than the amount rescinded by the bill as it left the House, but in that amount is \$135,000,000 for UNRRA, which I shall explain later. Omitting UNRRA, the Senate reduced our cash rescissions by \$544,948,457. Of that amount the Senate conferees agreed to recede from \$230,699,200. In other words, the rescission is that much greater than the Senate had proposed.

As regards rescissions of obligational availability other than appropriated funds, the rescission stands at the House figure of \$476,529,891.

Summarizing, all rescissions, as worked out by the conference committee, aggregate \$6,745,168,202.

We bring back four amendments in disagreement. The conference committee is in agreement on three of the four. I shall go into each of them when that stage is reached.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

The SPEAKER pro tempore (Mr. COOPER). The gentleman from New York is recognized for 5 minutes.

Mr. TABER. Mr. Speaker, I am not going to spend any time on this conference report. It represents a complete agreement upon the part of all the conferees as to the items that are included in the conference report. There is, however, disagreement on the part of different Members with reference to the amendments in disagreement, and as to those I think the facts should be brought out as we reach them. As to the first amendment in disagreement there is no difference amongst the conferees; as to the second there should be none, although an amendment will be offered in an effort to take care of a situation that has arisen. The third amendment in disagreement is controversial. The fourth amendment in disagreement is an item with reference to which the facts should be developed thoroughly for the record because there are no printed hearings to show what the situation is.

I think that is all I care to say. I think we might just as well have a vote on the conference report and get that out of the way, if it is agreeable to the gentleman from Missouri.

Mr. CANNON of Missouri. Does the gentleman from Massachusetts desire time now?

Mr. BATES of Massachusetts. I desire time on an amendment in disagreement a little later.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. Mr. Speaker, veterans can purchase surplus vehicles on priorities for business use only, and cannot resell. Therefore, they are buying the mechanical worth of the vehicle. It has been demonstrated that War Assets Administration prices used surplus vehicles at or near OPA "as is" ceilings which were written in wartime by auto dealers and adopted by the OPA. Prices of used cars remain at or above this OPA schedule and have, in general, no relation to their mechanical values. They are priced as a currency with which persons wanting new cars can buy them. Without a used car, it is difficult to get a new car, and in many instances the value of a used car traded in for a new car is lower than the ceiling price and constitutes, in fact, an over-ceiling sale of a new car. Therefore, dealers can afford to pay any price which is less than they know they can immediately realize by resale, but veterans purchasing for use only are paying prices that are above the mechanical worth of the car. An investigating committee should ascertain whether the influence of auto dealers in the administration of War Assets Administration is so strong that the used vehicles are priced excessively high to veterans in order to support the acknowledged black market in used vehicles.

Mr. CANNON of Missouri. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, the President of the United States has stated that the coal strike is a national disaster. The country is well

aware of this fact, as railroads, public utilities systems, and vital industries of every character are suspending operations, due to shortages of coal. The coal strike is no longer a strike against the owners of the coal mines. It has become a strike against the American people, and the future welfare of our country is at stake.

While the President possesses ample authority to deal with the coal strike, he has refused to do so. Since he refuses to act, although he is the constitutional Executive officer of the country, it is up to Congress to take immediate action for the establishment of a policy in the coal industry and other vital industries, before the country suffers a complete economic and social collapse. We should not tolerate the present situation. Ample means are at hand to assure a satisfactory settlement of the coal strike through collective bargaining, but I insist that when the union refuses to use this method, Congress must act before the end of this week, to bring order out of the present devastating situation.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: Page 7, line 9, insert a new section, as follows: "Provided, That of the provisions of law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the armed forces of the United States or any component thereof, only those conferring rights, privileges, or benefits upon persons during the time they are on active duty and those listed below shall, after the date of enactment of this act, be deemed to apply to persons for service in the Philippine Scouts under the provisions of section 14 of the act approved October 6, 1945 (Public Law 190, 79th Cong.):

"(1) The provisions of the act of March 9, 1928 (45 Stat. 251), as amended, relating to funeral expenses.

"(2) Provisions of law authorizing the payment to enlisted men of a travel allowance upon discharge;

"(3) Provisions of law authorizing retirement and prescribing or governing pay for Philippine Scouts placed on the retired list;

"(4) The provisions of the act of December 17, 1919 (41 Stat. 387), as amended, authorizing the payment of a death gratuity equal to 6 months' active-duty pay to the dependents of military personnel whose death occurs while on active duty;

"(5) The provisions of the Mustering-Out Payment Act of 1944 (Public Law 225, 78th Cong.), except that for the purpose of computing such payments for service in the Philippine Scouts, service wholly performed in the Philippine Islands shall be compensated for on the same basis as service wholly performed within the United States; and

"(6) The provisions of laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death:

"Provided further, That payments made under the provisions of any law referred to in clauses (5) and (6) above shall be paid at the rate of one Philippine peso for each dollar authorized by such law: And Provided further, That the provisions of the National Service Life Insurance Act of 1940, as

amended, shall apply to persons who serve in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945, only insofar as such provisions relate to contracts of insurance heretofore entered into."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Public Law 190, approved October 6, 1945, provides as follows:

SEC. 14. The Secretary of War, with the approval of the Philippine Government, is hereby authorized to enlist in the Philippine Scouts, with pay and allowances authorized under existing law, 50,000 men for service in the Philippine Islands, in the occupation of Japan and of lands now or formerly subject to Japan, and elsewhere in the Far East. Such enlistments shall be for 3 years unless sooner terminated, and citizens of the Philippine Islands shall be eligible to volunteer for such service.

Under that law, standing alone, a Philippine Scout would be entitled to certain rights, privileges, or benefits on a parity with an American soldier, which, very obviously, should not be permitted. The Senate amendment, in which concurrence is proposed, will do these things:

Philippine Scouts will not be entitled to benefits under—

First. The Missing Persons Act, providing for continuance of pay and initiation or continuance of allotments.

Second. Reemployment rights under the Selective Service Act of 1940.

Third. Relief provided by the Soldiers and Sailors Civil Relief Act of 1940, as amended.

Fourth. Servicemen's Readjustment Act of 1944—GI bill of rights.

Fifth. National service life insurance, except under contracts of insurance entered into prior to this bill become law; and benefits will be allowed on a peso-for-dollar ratio in connection with mustering-out payments and service-connected pensions.

The saving under the provision will run into very large figures, particularly if any considerable number of Philippine Scouts are enlisted, and, at the same time, the Filipino is treated as fairly and equitably as circumstances warrant.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: Page 15, line 13, after the word "appropriation", insert the following: "Provided, That the restriction on the use of the appropriation and contract authorization in amount of \$1,500,000 applying exclusively for field house at United States Naval Academy, Annapolis, Md., including acquisition of land and accessories as authorized by law is hereby canceled."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and

concur in the same with an amendment as follows: Before the period at the end of the matter inserted by said amendment, insert "Provided further, That the rescission of \$13,657,000 in the appropriation 'Maintenance, Bureau of Supplies and Accounts, 1946', hereinbefore provided for in this act, is hereby canceled, and such appropriation is hereby increased by \$11,763,480 by transfer of such an amount from the reduction hereinbefore provided for in this act in the 'Naval Stock Fund', instead of such amount of \$11,763,480 being carried to the surplus fund and covered into the Treasury."

Mr. CANNON of Missouri. Mr. Speaker, it had been our intention, as to this amendment, to propose to recede and concur in the amendment of the Senate.

Since our conference meeting, however, we have been apprised by the Paymaster General of the Navy that owing to charges not previously anticipated, such as the return of vast quantities of stores from the Pacific which previous estimates had not contemplated, and to the availability of later and more accurate expenditure figures, he will be short of funds to the extent of \$31,170,480 for financing fourth quarter charges. In other words, he is now operating in the red.

Obviously, we should not pursue a course of rescinding \$13,657,000 in this bill and a few days hence report a supplemental appropriation which would have the effect not only of restoring such amount but making substantially additional provision besides. This proposal is offered with the view to avoiding that sort of action.

We are not, in the proposal, providing the entire additional amount which Admiral Carter says he needs. We have reduced the added amount he states he needs by \$5,750,000, which is directed against obligations not entirely firm and which may not be incurred until after the close of the fiscal year.

This matter has been taken up informally with the Senate Committee on Appropriations and I may say that we have reason to believe that the Senate will occur in this modified proposal.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. It is \$11,763,000 instead of \$17,513,000, as I understand, that he asked for.

Mr. CANNON of Missouri. The gentleman is correct.

Mr. TABER. I understand that that is necessary.

Mr. CANNON of Missouri. Yes. Does the gentleman desire further time?

Mr. TABER. No.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23. Page 16, line 20, after the figure "\$20,387,000" insert a colon and the following: "Provided, That the proviso in Public Law 301, Seventy-ninth Con-

gress, approved February 16, 1946, under the head of 'Increase and replacement of naval vessels, emergency construction', is amended to the extent that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 percent on that date will be completed."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

Mr. WIGGLESWORTH. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede and concur in Senate amendment No. 23.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, the amendment under consideration raises an important question in the vital field of national defense, namely, whether it is wise at this time to cut the combatant shipping of this country below the point the Navy considers advisable in view of existing world conditions.

It also raises the very practical business consideration of whether, having invested some \$330,000,000 in 14 combatant ships now under consideration, it is good policy to resort to contract termination and scrapping of these ships when, by the expenditure of about six and one-third million dollars per vessel over and above what it will cost to terminate and scrap, every one of the 14 vessels can be made available promptly to the Navy.

In my judgment, it is unwise from the standpoint of national defense and unwise in terms of long-time economy not to adopt the Senate amendment.

Mr. Speaker, I am advised that this amendment has the approval of the Senate Committee on Naval Affairs. It has the approval of the Senate subcommittee in charge of naval appropriations, and of the Senate Committee on Appropriations as a whole. It has the approval of the Senate as a whole. I understand it has the approval of the House Committee on Naval Affairs. It has the approval of the House Subcommittee on Naval Appropriations.

That committee only recently, after very careful consideration in the course of hearings on the 1947 bill, voted unanimously, Republicans and Democrats alike, in favor of this amendment, or the policy embodied in it.

The amendment should be approved by the House as a whole today.

There are 14 ships involved, Mr. Speaker. They are scattered all up and down the east coast, with some on the west coast. They are all the latest design. Some of them have the last word in equipment which may serve to change naval tactics, and are, accordingly, desired by the Navy Department for experimental purposes.

I have only a few minutes, but I would call attention to the fact that the wording of the amendment is somewhat misleading in that it provides for the completion of those ships under construction which on March 1 were 20 percent or more completed in terms of construction.

That, Mr. Speaker, means hull construction. The formula takes no ac-

count whatsoever of the obligations of Uncle Sam in respect to ordnance, especially prepared for the ships in question. It takes no account of the sum which Uncle Sam must expend if a policy of contract termination and scrapping is adopted in respect to the ships in question.

As a matter of fact, if we look at the dollars and cents of this thing, instead of the percent of hull construction, the latest figures received from the Navy Department indicates a present obligation of almost 80 percent of the over-all total for complete construction. We have already invested in these ships \$330,800,000. By a further expenditure of \$89,800,000, or roughly six and one-third million dollars per ship, over and above what we will have to pay in the event of contract termination and scrapping, we can complete the whole 14 ships which the Navy desires.

In my judgment, it is not in the interest of our national defense to go below the point the Navy thinks advisable at this time, in view of existing world conditions.

In my judgment it is not sound economy in the long run to throw a \$330,000,000 investment out of the window, when we can complete the ships in question by the expenditure of the comparatively small sum I have referred to, and when in all probability if we do not complete them now we will have to complete them a short time hence at a very greatly increased cost.

In my judgment the sound course for the House to pursue is to complete these ships now at the minimum cost and let the Navy have the benefit of the most modern ships we are capable of building at this time. Let us limit our scrapping program in the future to the older ships, and not the newest ones.

This course of action appeals to me as sound, as economic in the long run, and as carrying with it the assurance of employment for skilled workers in ship construction plants which have made magnificent contributions to the national war effort in both World War I and World War II.

Mr. Speaker, I hope the House will recede and concur in the Senate amendment.

Mr. CANNON of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. VINSON].

(Mr. VINSON asked and was given permission to revise and extend his remarks.)

Mr. VINSON. Mr. Speaker, at the outset let me say that no money by way of direct appropriation is involved. Congress is charged by the Constitution with authority to provide and maintain a navy. That is a responsibility fixed upon us.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman with pleasure.

Mr. CANNON of Missouri. The gentleman says no money is involved. Does he mean it will cost nothing to complete the building of these ships?

Mr. VINSON. I mean that it is not necessary in the appropriation bill.

proposition to put the politicians down here on the floor in charge of Navy construction—politicians and munitions makers.

For time immemorial munitions makers have formed war in order to coin gold out of the blood of patriots. This is a case in point. The munitions makers—the shipbuilders—are willing to imperil the peace of the world by building a Navy when none is needed, willing to prejudice the people of America in the eyes of the world and hamper our efforts to form a world organization for the peaceful settlement of international differences, willing to waste vast sums of money when we are already carrying a record public debt, willing to defer tax reduction indefinitely, in order to squeeze the last dollar of unholy profits out of war appropriations for their already overflowing coffers.

Mr. Chairman, the passage of this amendment will also, to that extent, delay reconversion and the resumption of peacetime production. In these navy yards are employed the ablest, most experienced and efficient machinists, workmen, artisans, and mechanics, to be found anywhere in the country. They should be released and employed in the production of goods so badly needed by the entire Nation. These ships consume vast amounts of materials—the choicest lumber, metals, strategic building material so sadly needed in the construction of homes for veterans, and consumer goods, from automobiles to shoes. There is not a plant or factory in the country today that is not pleading for men and materials. And yet needed men and commodities are being employed in the construction of ships that will be as useless in modern warfare as the bows and arrows of colonial warfare if the atomic bomb is a success.

It is generally conceded that an atomic war will not last more than 3 or 4 hours and that no phase of it will be fought on the sea. In such a war where would the admirals station these ships?

It is the duty of the President to decide when these ships will be completed and he is now discharging that duty admirably. There is no reason to interfere with his administration of the duties of his office until he has had an opportunity to estimate the results of the atomic test. The amendment should be rejected.

The SPEAKER. The time of the gentleman from Missouri has expired. All time has expired.

The question is on the motion offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH] that the House recede and concur in the Senate amendment.

Mr. CANNON of Missouri. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 107, noes 14.

Mr. CANNON of Missouri. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 303, nays 14, not voting—113, as follows:

[Roll No. 111]
YEAS—303

Abernethy	Fenton	Lewis
Allen, Ill.	Fernandez	Link
Allen, La.	Flannagan	Luce
Almond	Flood	Lyle
Andersen,	Fogarty	Lynch
H. Carl	Forand	McCormack
Andresen,	Fulton	McGlinchey
August H.	Gallagher	McGregor
Andrews, Ala.	Gamble	McMillan, S. C.
Angell	Gardner	McMillen, Ill.
Arends	Gary	Mahon
Arnold	Gathings	Manasco
Bailey	Geelan	Mankin
Barden	Gerlach	Mansfield,
Barrett, Pa.	Gibson	Mont.
Barrett, Wyo.	Gifford	Marcantonio
Barry	Gillespie	Martin, Iowa
Bates, Ky.	Gillette	Martin, Mass.
Bates, Mass.	Goodwin	Mason
Beall	Gordon	Mathews
Beckworth	Gore	May
Bennett, Mo.	Gossett	Marrow
Biemiller	Graham	Michener
Bishop	Graham	Miller, Nebr.
Blackney	Green	Mills
Bloom	Gregory	Morrison
Bolton	Griffiths	Mundt
Boren	Gwynne, Iowa.	Murdock
Boykin	Hall,	Murphy
Brehm	Edwin Arthur	Murray, Tenn.
Brooks	Hall,	Murray, Wis.
Brown, Ga.	Leonard W.	Neely
Brown, Ohio	Halleck	Norblad
Brumbaugh	Hancock	Norrell
Bryson	Hand	O'Brien, Ill.
Buck	Hare	O'Brien, Mich.
Bunker	Harless, Ariz.	O'Hara
Byrne, N. Y.	Harms	O'Konski
Byrnes, Wis.	Havener	O'Toole
Camp	Hays	Outland
Campbell	Healy	Pace
Canfield	Hedrick	Patman
Carlson	Heffernan	Peterson, Ga.
Carnahan	Henry	Phillips
Case, N. J.	Heseltun	Pickett
Case, S. Dak.	Hess	Pittenger
Celler	Hill	Plumley
Chelf	Hobbs	Poage
Chenoweth	Hoeven	Price, Ill.
Chiperfield	Hoffman	Priest
Church	Hollifield	Rabin
Clark	Holmes, Mass.	Ramey
Clason	Holmes, Wash.	Rankin
Clements	Hook	Reed, Ill.
Clevenger	Hope	Reed, N. Y.
Clippinger	Horan	Rees, Kans.
Coffee	Howell	Resa
Cole, Kans.	Hull	Rich
Cole, Mo.	Izac	Richards
Cole, N. Y.	Jackson	Riley
Colmer	Jenkins	Rivers
Cooley	Jennings	Rizley
Cooper	Jensen	Robertson,
Corbett	Johnson, Calif.	N. Dak.
Cravens	Johnson, Ill.	Robertson, Va.
Crawford	Johnson,	Rockwell
Cunningham	Luther A.	Roe, Md.
Curtis	Johnson,	Rogers, Fla.
D'Alesandro	Lyndon B.	Rogers, Mass.
Davis	Jones	Rogers, N. Y.
De Lacy	Jonkman	Rooney
Delaney,	Judd	Rowan
James J.	Kean	Ryter
Delaney,	Kearney	Sadowski
John J.	Kee	Sasser
D'Ewart	Keefe	Savage
Dirksen	Kefauver	Schwabe, Mo.
Dolliver	Kelley, Pa.	Schwabe, Okla.
Dondero	Kelly, Ill.	Scrivner
Douglas, Calif.	Kilburn	Shafer
Douglas, Ill.	King	Sharp
Doyle	Kinzer	Sheridan
Durham	Klein	Short
Dworshak	Knutson	Simpson, Ill.
Earthman	Kopplemann	Smith, Maine
Elliott	Kunkel	Smith, Wis.
Ellis	Lanham	Somers, N. Y.
Ellsworth	Larcade	Spence
Elsaesser	Latham	Springer
Elston	LeCompte	Starkey
Engel, Mich.	LeFevre	Stefan
Fallon	Lemke	Stigler
Feighan	Lesinski	Stockman

Sullivan	Towe	Wickersham
Sumner, Ill.	Trimble	Wigglesworth
Sumners, Tex.	Vinson	Winstead
Sundstrom	Voorhis, Calif.	Winter
Taber	Vorys, Ohio	Wolcott
Talbot	Vursell	Wolfenden, Pa.
Talle	Wadsworth	Wolverton, N. J.
Taylor	Walter	Woodhouse
Thom	Welchel	Worley
Thomas, N. J.	Welch	Zimmerman
Thomas, Tex.	West	
Thomason	Whitten	

NAYS—14

Bulwinkle	Huber	Randolph
Cannon, Mo.	Johnson, Okla.	Robinson, Utah
Ervin	Kerr	Sparkman
Folger	Ludlow	Tarver
Granger	Rabaut	

NOT VOTING—113

Adams	Gearhart	O'Neal
Anderson, Calif.	Gille	Patrick
Andrews, N. Y.	Gorski	Patterson
Auchincloss	Grant, Ala.	Peterson, Fla.
Baldwin, Md.	Grant, Ind.	Pfeifer
Baldwin, N. Y.	Gross	Philbin
Bell	Gwinn, N. Y.	Ploeser
Bender	Hagen	Powell
Bennet, N. Y.	Hale	Price, Fla.
Bland	Harness, Ind.	Quinn, N. Y.
Bonner	Hart	Rains
Bradley, Mich.	Hartley	Rayfield
Bradley, Pa.	Hébert	Reece, Tenn.
Buckley	Hendricks	Robison, Ky.
Buffett	Herter	Rodgers, Pa.
Burch	Hinchaw	Roe, N. Y.
Eutler	Hoch	Russell
Cannon, Fla.	Jarman	Sabath
Chapman	Johnson, Ind.	Sheppard
Cochran	Keogh	Sikes
Combs	Kilday	Simpson, Pa.
Courtney	Kliwan	Slaughter
Cox	LaFollette	Smith, Ohio
Crosser	Landis	Smith, Va.
Curley	Lane	Stevenson
Daughton, Va.	Lea	Stewart
Dawson	McConnell	Tibbott
Dingell	McCowan	Tolan
Domeneaux	McDonough	Torrens
Doughton, N. C.	McGehee	Traynor
Drewry	McKenzie	Wasielowski
Eaton	Madden	Weaver
Eberharter	Maloney	White
Engle, Calif.	Mansfield, Tex.	Whittington
Fellows	Miller, Calif.	Wilson
Fisher	Monroney	Wood
Fuller	Morgan	Woodruff
Gavin	Norton	

So the motion was agreed to.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Sheppard with Mr. Ploeser.
Mr. Quinn of New York with Mr. McConnell.
Mr. Dingell with Mr. Adams.
Mr. Roe of New York with Mr. Bennet of New York.
Mr. Daughton of Virginia with Mr. Hartley.
Mr. Patterson with Mr. Gross.
Mr. Keogh with Mr. Bender.
Mr. Hoch with Mr. Fuller.
Mr. Pfeifer with Mr. Herter.
Mr. Eberharter with Mr. Wilson.
Mr. Hart with Mr. Johnson of Indiana.
Mr. Bradley of Pennsylvania with Mr. Har-
ness of Indiana.
Mr. Monroney with Mr. Tibbott.
Mr. Rayfield with Mr. Gillie.
Mr. Wasielowski with Mr. Rodgers of Penn-
sylvania.
Mr. Buckley with Mr. Grant of Indiana.
Mr. Torrens with Mr. Smith of Ohio.
Mr. Dawson with Mr. Landis.
Mr. Slaughter with Mr. Buffett.
Mr. Lane with Mr. Eaton.
Mr. Maloney with Mr. Fellows.
Mr. Powell with Mr. Auchincloss.
Mr. Drewry with Mr. Hale.
Mr. Combs with Mr. Anderson of California.
Mr. Mansfield of Texas with Mr. Hagen.
Mr. Bell with Mr. Gavin.
Mr. Bonner with Mr. Woodruff.
Mr. Cochran with Mr. Stevenson.
Mr. Burch with Mr. Robison of Kentucky.
Mr. Courtney with Mr. Simpson of Penn-
sylvania.
Mr. Cox with Mr. Reece of Tennessee.

Mr. O'Neal with Mr. McDonough.
Mr. Whittington with Mr. Gearhart.
Mr. Hébert with Mr. McCowen.
Mr. Doughton of North Carolina with Mr. Baldwin of New York.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 30: On page 20, line 18, insert the following:

"The defense aid (lend-lease) appropriations made to the President are hereby relieved from reimbursing the appropriations of the Military Establishment and the appropriations of the Navy Department and the naval service for any amounts owing on the date of this act to such appropriations for materials, supplies, equipment, or services which, pursuant to the authorization or direction of the former Foreign Economic Administration or the State Department, were furnished by either the War or the Navy Department to any foreign government under the provisions of the Lend-Lease Act, as amended."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate numbered 30 and concur in the same with an amendment as follows: Before the period at the end of the matter inserted by said amendment, insert the following: "Provided, That of the reduction of \$1,080,000,000 made in the appropriation 'Defense aid—lend-lease' under title I of this act, \$135,000,000 shall be transferred to the credit of the appropriation 'United Nations Relief and Rehabilitation Administration, 1944-46,' instead of being carried to the surplus fund and covered into the Treasury."

Mr. CANNON of Missouri. Mr. Speaker, the Congress has authorized contributions to UNRRA totaling \$2,700,000,000, and has appropriated \$2,100,000,000.

An estimate has been presented for the remaining \$600,000,000—House Document 543.

Inquiry has disclosed that of the \$600,000,000, there is an immediate need for \$135,000,000 in order to avoid disruption of the program, which has been carefully planned and scheduled. That means obligating well in advance of deliveries, and obligations, of course, may not be incurred in excess of the funds appropriated.

All of the \$2,100,000,000 heretofore appropriated had been obligated at the end of March save \$292,000,000, and of that amount all but \$39,000,000 had been committed.

To meet commitments and obligations in May and to meet shipping expenses in June, \$135,000,000 should be made available now.

The balance of \$465,000,000 of the unappropriated \$600,000,000 will be considered in connection with the last deficiency bill before the summer adjournment, and that will mean that we can canvass the whole UNRRA picture at some length.

In the interest of expedition, the amendment makes available \$135,000,000,

which is needed now, by requiring transfer to UNRRA, instead of deposit in the Treasury, that amount of the \$1,080,000,000 the bill rescinds of the appropriation for defense aid—lend-lease. In other words, in effect, we are taking care of this interim need by making available to UNRRA \$135,000,000 of surplus lend-lease funds.

Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the present statement of balances and the present status of funds of UNRRA as of the latest date for which our committee was able to obtain information are as follows:

Amount of United States	
funds made available-----	\$2,100,000,000
Obligations-----	1,742,000,000
Deliveries through Mar. 31--	846,000,000
Balance of obligations-----	896,000,000
Shipments in April-----	157,000,000
Balance, end of April-----	739,000,000
Prospective shipments in May-----	205,000,000
Balance, end of May-----	534,000,000
Prospective shipments in June-----	212,000,000
Balance, end of June-----	322,000,000
To this, add the item in the pending resolution in the amount of-----	135,000,000
Making a total available after July 1, 1946, of-----	457,000,000

This sum of \$457,000,000 very evidently provides all that they can possibly handle in the months of July and August. In those months the need for clothing will be lighter; the need for other things will be lighter. The need for food should be much less after the 1st of September. It really should be less in July and August, because wheat will be coming in, and the potato crop will begin to come in.

I am making this statement without regard to the \$358,000,000 which was unobligated on the 1st of April. This will pay all the shipping charges against things undelivered. On top of that, there are enormous inventories of lend-lease goods, consisting of 201,927 tons as of the end of March, in warehouses in this country, practically all of which should be suitable, insofar as clothing and other supplies are concerned, for use in UNRRA.

Of the shipments made to the 31st of December, last, the total value was \$681,000,000 and, of this, only \$316,000,000 was for food items. Of the shipments of \$157,000,000 in April, only \$60,000,000 was for food. Of the prospective shipments in May, of \$205,000,000, only \$86,000,000 is scheduled for food. Of the prospective shipments in June, of \$212,000,000, only \$87,000,000 is set up to be for food.

It is very apparent that the trouble with the serious food shortages has been the keeping of too many people on their pay roll, as was pointed out when the last bill providing funds for this organization was up, and not spending enough for food.

The people of the United States want the money to be spent for food and not on soft jobs. I hope that the new Director has made some headway in cleaning up

that situation. If he has not, I hope that he will give his best endeavors to it immediately.

It is apparent that the Congress has already provided ample funds for this organization—more than they have been able to use effectively, and that the trouble has been with the way the set-up is organized. The former Director of UNRRA had his attention called many times to the way he was operating and he was not in the least responsive. The present Director has spent a great deal of his time making statements as to a situation which has resulted from the way UNRRA has been managed.

With the funds provided in this resolution \$135,000,000—UNRRA unquestionably can be carried to the 1st of September, at which time a great deal of our European activities should cease, and we should give very careful attention to whatever else is asked, as to whether or not the need exists and will exist at the time the present funds expire so that we will know something about what we are doing.

We should meet our obligations to the rest of the world but we should not do it with enormous waste and without attention to reasonable business methods.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE of South Dakota. Mr. Speaker, I wish to congratulate the gentleman on his excellent statement.

(Mr. CASE of South Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.)

Mr. DWORSHAK. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Idaho.

Mr. DWORSHAK. Can the gentleman give us any assurance that other nations interested in UNRRA are living up to their commitments or is the United States being compelled to provide all of the funds to carry on the program at this time?

Mr. TABER. I think most of the other nations are at this time meeting all of their commitments. The only ones outside of our own country are the British, the Canadians, the Australians, and the South Africans. The others are not. I think those nations are all meeting them on a percentage basis as we have.

Mr. CANNON of Missouri. Mr. Speaker, unless some Member desires to speak, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

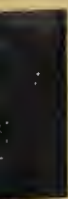
EXTENSION OF REMARKS

Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.

HOURS OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House

May
14



DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued May 15, 1946
For actions of May 14, 1946
79th-2nd, No. 90

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HIGHLIGHTS: Senate agreed to conference report on 2nd deficiency appropriation bill, which includes items for insect and plant-disease control, forest recreational areas, water facilities, and recentralization of FCA; ready for President. Senate agreed to conference report on 2nd appropriation rescission bill, which includes Hawaii-relief item; ready for President. Senate agreed to House amendments to new selective-service extension measure; ready for President. House committee reported bill to make various amendments to Agricultural Marketing Agreement Act. House provided \$10,000 more for Food Shortages Committee.

HOUSE

- 1. APPROPRIATIONS.** Received from the President an amendment to the 1947 Budget for the Office of Education, Federal Security Agency, providing \$1,337,000, this amount, together with \$280,900 made available to this Department, to be used for making payments to the States to cover costs of education of the public in food conservation in order to promote the production and preservation of food during the present emergency (H. Doc. 590)(p. 5126).
Continued debate on H. R. 6335, the Interior appropriation bill, discussing provisions regarding reclamation, electrification, etc. (pp. 5104-25).
Received from the President appropriation estimates for payment of claims for damages to private property (H. Doc. 592)(p. 5126).
The Appropriations Committee reported the Coast Guard appropriation bill, H. R. 6428 (H. Rept. 2038)(p. 5093) and the legislative appropriation bill, H. R. 6429 (H. Rept. 2040)(p. 5104).
- 2. MARKETING AGREEMENTS.** The Agriculture Committee reported without amendment H. R. 6303, to amend the Agricultural Marketing Agreement Act (H. Rept. 2051)(p. 5126).
- 3. FOOD SHORTAGES.** Agreed without amendment to H. Res. 619, to provide \$10,000 additional for the Special Committee Investigating Food Shortages (p. 5093); this resolution had been reported earlier in the day by the Accounts Committee (H. Rept. 2035)(p. 5126).
- 4. FOREIGN RELIEF.** Received a petition from various N. Y. and Md. citizens recommending legislation to prohibit use of grain for beverages during the world food shortage (p. 5127).
Received a Council of American Academy of Arts and Sciences petition for return to food rationing to make food available for foreign relief (p. 5127).

5. CREDIT UNIONS. The Banking and Currency Committee reported without amendment H. R. 6372, to amend the Federal Credit Union Act so as to provide penalties for over-charging of interest, permit issuance of shares in joint tenancy, give the boards more latitude regarding bonds of officers, liberalize the limitation on amount of loans, etc. (H. Rept. 2054)(p. 5126).

6. PROPERTY REQUISITION. Both Houses received from the President the CPA report on operations under the Property Requisitioning Act from Oct. 16, 1945, through April 15, 1946. To Military Affairs Committees. (pp. 5104, 5063.)

SENATE

7. SECOND DEFICIENCY APPROPRIATION BILL. Agreed to the conference report on this bill, H.R. 5890 (p. 5066). Agreed to the House amendment restricting to materials the authorization for reimbursable aid by departments and agencies to UNO. For provisions of the bill see Digests 81 and 86. This bill will now be sent to the President.

8. SECOND SURPLUS APPROPRIATION RESCISSION BILL. Agreed to the conference report on this bill, H.R. 5604 (pp. 4065-6). Agreed to the House amendment to transfer \$135,000,000 of lend-lease funds to UNRRA. For provisions of the bill see Digests 81 and 87. This bill will now be sent to the President.

9. TRADE-MARKS. The Patents Committee reported with amendments H.R. 1654, to provide for the registration and protection of trade-marks used in commerce and to carry out the provisions of certain international conventions (S.Rept. 1333) (p. 5064).

10. SELECTIVE SERVICE. Agreed to the House amendments to S. J. Res. 159, to continue the Selective Training and Service Act until July 1, 1946 (pp. 5066-90). As finally passed the measure prohibits the induction of fathers and permits the induction of only those persons between the ages of 20 and 30. Approved by the President May 14, 1946.

During the debate Sen. Langer, W.Dak., criticized the induction of boys needed on farms (p. 5086) and stated that much of the available wheat had not been delivered to markets because of poor farm-to-market-roads (pp. 5081-2).

BILLS INTRODUCED

11. SELECTIVE SERVICE; VETERANS. S. 2193, by Sen. Wheeler, Mont., to grant to personnel in the military or naval forces certain benefits with respect to accumulated leave. To Military Affairs Committee. Remarks of author. (p. 5064.)

12. PLANT QUARANTINE. H.R. 6433, by Rep. Flannagan, Va., "to amend the Plant Quarantine Act." To Agriculture Committee. (p. 5126.)

13. CONGRESSIONAL REORGANIZATION. S. 2177 (see Digest 89) to provide for increased efficiency in the legislative branch of the Government, embodies, in general, the recommendations made by the Joint Committee on Organization of Congress in its report of March 4, 1946 (for a detailed summary of the recommendations see Digest 37).

Sens. LaFollette, Thomas (Utah), Pepper, Russell, White, and Brooks comprise the Senate Special Reorganization of Congress Committee to which the bill was referred.

ITEMS IN APPENDIX

14. ST. LAWRENCE WATERWAY. Sen. Langer, W.Dak., inserted a Mobile (Ala) Register article opposing this project (pp. A2807-E).

DEVELOPMENT OF THE ST. LAWRENCE RIVER—EDITORIAL FROM MOBILE (ALA.) REGISTER

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "The Register Replies to Senator's Challenge on St. Lawrence Seaway," from the Register of Mobile, Ala., issue of May 2, 1946, which appears in the Appendix.]

LEARNING TO LIVE TOGETHER

[Mr. HILL asked and obtained leave to have printed in the RECORD quotations from the program on the occasion of a dinner given in honor of Mrs. Franklin D. Roosevelt, by the Women's Joint Congressional Committee, of Washington, D. C., which appear in the Appendix.]

THE EQUAL PAY BILL AND THE EQUAL RIGHTS AMENDMENT—LETTER BY MISS MARY ANDERSON

[Mr. MORSE asked and obtained leave to have printed in the RECORD a letter addressed to the Christian Science Monitor by Miss Mary Anderson, former Director, Women's Bureau, United States Department of Labor, on the subject of the equal pay bill and the equal rights amendment, which appears in the Appendix.]

STATEMENT OF FACTS ABOUT WATCHES—ADVERTISEMENT OF AMERICAN WATCH ASSEMBLERS' ASSOCIATION

[Mr. MEAD asked and obtained leave to have printed in the RECORD an advertisement entitled "Statement of Facts About Watches," by the American Watch Assemblers' Association, published in the New York Times of April 11, 1946, which appears in the Appendix.]

CALL OF THE ROLL

Mr. HILL. Mr. President, I understand the Senator from Florida has the floor. If he will yield to me, I should like to suggest the absence of a quorum.

Mr. PEPPER. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hawkes	O'Mahoney
Austin	Hayden	Overton
Ball	Hickenlooper	Pepper
Bankhead	Hill	Radcliffe
Barkley	Hoey	Reed
Brewster	Huffman	Revercomb
Bridges	Johnson, Colo.	Robertson
Brooks	Kilgore	Russell
Buck	Knowland	Saltonstall
Bushfield	La Follette	Shipstead
Butler	Langer	Stanfill
Byrd	Lucas	Stewart
Capehart	McCarran	Taft
Capper	McClellan	Taylor
Cordon	McFarland	Thomas, Okla.
Donnell	McKellar	Thomas, Utah
Downey	McMahon	Tobey
Eastland	Magnuson	Tunnell
Ellender	Maybank	Tydings
Ferguson	Mead	Wagner
Fulbright	Millikin	Walsh
George	Mitchell	Wheeler
Gerry	Moore	Wherry
Green	Morse	White
Guffey	Murdock	Wiley
Gurney	Murray	Willis
Hart	Myers	Wilson
Hatch	O'Daniel	Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BIBB], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho

[Mr. GOSSETT], are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from South Carolina [Mr. JOHNSTON] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Jersey [Mr. SMITH] is necessarily absent.

The PRESIDING OFFICER (Mr. HOEY in the chair). Eighty-four Senators having answered to their names, a quorum is present.

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, will the Senator from Florida yield to me for the purpose of having two conference reports considered and acted upon?

Mr. PEPPER. I am very glad to do so.

Mr. McKELLAR. I think there will be no objection to the conference reports, and that they will be acted upon immediately. They have been gone over very carefully by the conferees on the part of the House and of the Senate.

Mr. President, I move that the unfinished business be temporarily laid aside, and that the Senate proceed to consider the conference report on House bill 5604, the second supplemental surplus appropriation rescission bill.

Mr. LANGER. I object.

The PRESIDING OFFICER. The motion is privileged.

Mr. McKELLAR. I will state to the Senator from North Dakota that I am merely asking to have action taken on two conference reports.

The PRESIDING OFFICER. The Chair will state that they are privileged matters.

The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11 and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 16, 24, 25, 26, 27 and 29, and agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$57,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Naval Training Station, Port Deposit, Maryland, 1946, \$50,000."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Pay and subsistence of naval personnel, 1946, \$200,000,000."

And the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$125,000,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"and neither the appropriation nor contractual authorization under this head shall be available after February 25, 1946, for the acquisition of land (other than for the authorized vessel-berthing program), except in pursuance of a specific appropriation"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$190,784,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$652,986,950"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,015,379,424"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 10, 20, 23, and 30.

KENNETH McKELLAR,
CARL HAYDEN,
M. E. TYDINGS,
RICHARD B. RUSSELL,
C. WAYLAND BROOKS,
STYLES BRIDGES,
CHAN GURNEY,

Managers on the Part of the Senate.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,

Managers on the Part of the House.

Mr. McKELLAR. I move the adoption of the conference report.

The motion was agreed to.

Mr. McKELLAR. I ask the Chair to lay before the Senate a message from the House of Representatives announcing its action respecting the amendments of the Senate numbered 20 and 30.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its ac-

tion on certain amendments of the Senate to House bill 5604, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 9, 1946.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 10 and 23 to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 20 to said bill and concur therein with an amendment as follows: In the last line of the matter inserted by said Senate engrossed amendment, after "canceled", insert "*: Provided further*, That the rescission of \$13,657,000 in the appropriation 'Maintenance, Bureau of Supplies and Accounts, 1946,' hereinbefore provided for in this act, is hereby canceled, and such appropriation is hereby increased by \$11,763,480 by transfer of such an amount from the reduction hereinbefore provided for in this act in the 'Naval Stock Fund,' instead of such amount of \$11,763,480 being carried to the surplus fund and covered into the Treasury."

That the House recede from its disagreement to the amendment of the Senate numbered 30 to said bill and concur therein with an amendment as follows: In the last line of the matter inserted by said Senate engrossed amendment, after "amended" insert: "*: Provided*, That of the reduction of \$1,080,000,000 made in the appropriation 'Defense aid-lend-lease' under title I of this act, \$135,000,000 shall be transferred to the credit of the appropriation 'United Nations Relief and Rehabilitation Administration, 1944-46,' instead of being carried to the surplus fund and covered into the Treasury."

Mr. McKELLAR. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 20 and 30.

The motion was agreed to.

SECOND DEFICIENCY APPROPRIATIONS— CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 10, 11, 14, 36, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 6, 7, 8, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 39, 42, 43, 44, 45, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, and 103, and agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$5,250"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert "\$100,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$250,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$325,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$837,127"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$800,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 40, 46, and 62.

KENNETH McKELLAR,
CARL HAYDEN,
M. E. TYDINGS,
RICHARD B. RUSSELL,
C. WAYLAND BROOKS,
STYLES BRIDGES,
CHAN GURNEY,

Managers on the Part of the Senate.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,

Managers on the Part of the House.

Mr. McKELLAR. I move the adoption of the conference report.

Mr. WHITE. To what appropriation bill does the conference report relate?

Mr. McKELLAR. The second deficiency appropriation bill. This is the final conference report.

Mr. WHITE. Is it signed by all the members of the conference committee?

Mr. McKELLAR. Yes. There was no objection, as I recall.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5890, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 8, 1946.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 40 and 46 to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 9 to said bill and concur therein with an amendment as follows: Before the period

at the end of the matter inserted by said amendment insert: "*: Provided*, That, effective May 1, 1946, the appropriation for salaries, Office of the Architect of the Capitol, contained in the Legislative Branch Appropriation Act, 1946, shall provide as follows: 'For the Architect of the Capitol, Assistant Architect of the Capitol (whose compensation shall be at the rate of \$7,000 per annum), Chief Architectural and Engineering Assistant, and other personal services at rates of pay provided by law; and the Assistant Architect of the Capitol shall act as Architect of the Capitol during the absence or disability of that official or whenever there is no Architect, and, in case of the absence or disability of the Assistant Architect, the Chief Architectural and Engineering Assistant shall so act; \$66,700.'"

That the House recede from its disagreement to the amendment of the Senate numbered 62 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert "*: Provided further*, That until December 31, 1946, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies and equipment to the United Nations and, when reimbursements are made by the United Nations, such reimbursements shall be credited to the appropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization."

Mr. McKELLAR. I move that the Senate concur in the amendments of the House to amendments of the Senate numbered 9 and 62.

The motion was agreed to.

Mr. McKELLAR. I want to thank the Senator from Florida for his kindness in yielding so that the two conference reports could be acted upon.

EXTENSION OF SELECTIVE TRAINING AND SERVICE ACT—MESSAGE FROM THE HOUSE

Mr. THOMAS of Utah. Mr. President, will the Senator from Florida yield to me so I may submit two matters? One is privileged and the other is necessary because of the impending date deadline.

Mr. PEPPER. I yield.

Mr. THOMAS of Utah. First, Mr. President, I ask that the message from the House of Representatives setting forth its action on Senate Joint Resolution 159 be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 159) to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946, to which were, after line 5, to insert:

SEC. 2. Section 5 (e) of the Selective Training and Service Act of 1940, as amended, is amended by adding at the end thereof the following new paragraph:

"(3) After May 14, 1946, no individual who has a child or children shall be inducted without his consent for training and service under this act. As used in this paragraph the term 'child' includes a child legally adopted, a stepchild, a foster child, and a person who is supported in good faith by the individual in a relationship similar to that of a parent and child but such term does not include any person 18 years of age or over unless such person is physically or mentally handicapped."

May
27



[PUBLIC LAW 391—79TH CONGRESS]

[CHAPTER 271—2D SESSION]

[H. R. 5604]

AN ACT

Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the appropriations and contractual authorizations of the departments and agencies available in the fiscal year 1946, and prior year unrevverted appropriations, are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act:

TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT,
INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE FOR EMERGENCY MANAGEMENT

National War Labor Board:

Salaries and expenses, \$1,600,000.

Office of Scientific Research and Development:

Salaries and expenses, \$555,000.

War Shipping Administration:

Revolving fund, \$375,000,000.

Maritime training fund, \$2,000,000.

Marine and war risk insurance fund, revolving fund,
\$60,000,000.

Office of Censorship: Salaries and expenses, \$415,400.

Petroleum Administration for War:

Salaries and expenses, \$200,000.

In all, Office for Emergency Management, \$439,770,400.

EMERGENCY FUNDS APPROPRIATED TO THE
PRESIDENT

Defense aid—lend-lease, \$1,080,000,000, to be deducted from such of the categories specified in the various appropriation acts as may be determined by the Secretary of State or such official as he shall designate.

INDEPENDENT OFFICES

Employees' Compensation Commission: Employees' compensation fund, \$1,300,000.

United States Maritime Commission: Construction fund, Act of June 29, 1936, revolving fund, \$300,068,000.

FEDERAL SECURITY AGENCY

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$125,000.

FEDERAL WORKS AGENCY

Office of the Administrator:

War public works (community facilities), \$5,750,000.

Liquidation of Work Projects Administration, 1944, \$120,000.

Work relief in Puerto Rico and the Virgin Islands, 1944, \$1,000,000.

Public Buildings Administration:

Emergency safeguarding of public buildings and property, \$75,000.

Public Roads Administration: Flight strips (national defense), \$56,732, and such additional amount as may remain unobligated.

In all, independent offices, \$308,494,732.

EXECUTIVE DEPARTMENTS

[Non-War]

DEPARTMENT OF AGRICULTURE

Emergency supplies for Territories and possessions, \$3,800,000.

DEPARTMENT OF THE INTERIOR

Office of Fishery Coordination: Salaries and expenses, \$12,000.

Emergency funds appropriated to the President:

Emergency fund for the President, national defense (allotment to Interior, Territories and island possessions), \$1,391,143.

DEPARTMENT OF JUSTICE

Legal activities and general administration: Salaries and expenses, Lands Division, \$300,000.

In all, executive departments, \$5,503,143.

In all, title I, \$1,833,768,275.

Miscellaneous Provisions, Title I

REDUCTIONS IN CONTRACTUAL AUTHORIZATIONS

Contractual authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

INDEPENDENT OFFICES

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$460,000,000.

Federal Works Agency, Public Buildings Administration: Construction of buildings in the District of Columbia, \$3,673,001.

REDUCTIONS IN LIMITATIONS ON ADMINISTRATIVE EXPENSES

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management, Foreign Economic Administration:

Rubber Development Corporation, \$160,000.

U. S. Commercial Company, \$250,000.

INDEPENDENT OFFICES

Federal Loan Agency, Reconstruction Finance Corporation:

Administrative expenses, Reconstruction Finance Corporation and its affiliated organizations, \$7,000,000.

CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation, \$171,890.

Inter-American Navigation Corporation, \$175,000.

Prencinradio, Incorporated, \$100,000.

TITLE II—MILITARY ESTABLISHMENT

Office of Secretary of War:

Expediting Production of Equipment and Supplies for National Defense, 1940-1946, \$20,545,000.

General Staff Corps:

Special Field Exercises, Army, 1942-1946, \$2,413,868.

Adjutant General's Department:

Command and General Staff School, Fort Leavenworth, Kansas, 1942-1946, \$20,000.

Finance Department:

Finance Service, Army, 1942-1946, \$4,704,700, and subappropriations under this head are hereby decreased as follows: (1) expenses of courts martial, \$1,700; (2) apprehension of deserters, \$450,000; (3) Finance Service, \$4,000,000, and (4) claims for damages due to loss or destruction of property, or personal injury, or death, \$250,000: *Provided*, That of the provisions of law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service

of any other person in the armed forces of the United States or any component thereof, only those conferring rights, privileges, or benefits upon persons during the time they are on active duty and those listed below shall, after the date of enactment of this Act, be deemed to apply to persons for service in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945 (Public Law 190, Seventy-ninth Congress):

(1) The provisions of the Act of March 9, 1928 (45 Stat. 251), as amended, relating to funeral expenses;

(2) Provisions of law authorizing the payment to enlisted men of a travel allowance upon discharge;

(3) Provisions of law authorizing retirement and prescribing or governing pay for Philippine Scouts placed on the retired list;

(4) The provisions of the Act of December 17, 1919 (41 Stat. 367), as amended, authorizing the payment of a death gratuity equal to six months' active-duty pay to the dependents of military personnel whose death occurs while on active duty;

(5) The provisions of the Mustering-Out Payment Act of 1944 (Public Law 225, Seventy-eighth Congress), except that for the purpose of computing such payments for service in the Philippine Scouts, service wholly performed in the Philippine Islands shall be compensated for on the same basis as service wholly performed within the United States; and

(6) The provisions of laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death:

Provided further, That payments made under the provisions of any law referred to in clauses (5) and (6) above shall be paid at the rate of one Philippine peso for each dollar authorized by such law: *And provided further*, That the provisions of the National Service Life Insurance Act of 1940, as amended, shall apply to persons who serve in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945, only insofar as such provisions relate to contracts of insurance heretofore entered into.

Quartermaster Corps:

Quartermaster Service, Army, 1942-1946, subappropriation "Welfare of enlisted men", \$5,400,000.

Transportation Corps:

Transportation Service, Army, 1945-1946, \$80,000,000.

Signal Corps:

Signal Service of the Army, 1942-1946, \$85,000,000.

Air Corps:

Air Corps, Army, 1942-1946, \$1,000,000,000.

Medical Department:

Medical and Hospital Department, Army, 1942-1946, \$27,615,000.

Corps of Engineers:

Engineer Service, Army, 1942-1946, subappropriation "Engineer Service", \$50,000,000, and no part of such subappropriation

shall be available after February 25, 1946, for acquiring land or building permanent structures within the continental limits of the United States, except structures not costing more than \$20,000.

Repair of arsenals, Army, 1942-1946, \$661,905.

Repair of arsenals, emergency construction, no year, \$480.

Acquisition of land, Panama, Army, no year, \$395,593.

Acquisition of land, Buchanan, Puerto Rico, no year, \$8,284.

Acquisition of land, Act June 26, 1940, no year, \$13,254.

Acquisition of land for military purposes, national defense, no year, \$360,941.

Acquisition of land, San Bernardino, Kern, Los Angeles Counties, California, no year, \$1,470.

Acquisition of land, Ogden Ordnance Depot, Utah, no year, \$60,420.

Sites for military purposes, no year, \$10,065.

Construction of buildings, utilities, and appurtenances at military posts, no year, \$12,533,633.

Office buildings and appurtenances, War Department, Arlington County, Virginia, no year, \$157.

Buildings for United States representatives, Philippine Islands, no year, \$304.

Ordnance Department:

Ordnance Service and Supplies, Army, 1942-1946, \$201,035,000.

Chemical Warfare Service:

Chemical Warfare Service, Army, 1942-1946, \$21,600,000.

Special Service Schools:

Special Service Schools, Army, 1942-1946, \$382,500, and sub-appropriations under this head are hereby decreased as follows:

(1) Infantry School, \$181,200; (2) Cavalry activities, \$30,300;

(3) Field Artillery activities, \$130,500; and (4) Coast Artillery activities, \$40,500.

Armored force:

Instruction in armored force activities, 1942-1946, \$83,000.

Seacoast defenses:

Seacoast defenses, general, 1942-1946, \$14,683,000, and no part of such appropriation shall be available after February 25, 1946, for the acquisition of land.

Seacoast defenses, general, no year, \$9,698,373.

Seacoast defenses, no year, \$708,225.

Seacoast defenses, Insular Departments, no year, \$50,456.

Seacoast defenses, Panama Canal, no year, \$622,470.

United States Military Academy: Pay of Military Academy, 1942-1946, \$126,272.

Citizens' Military Training:

Military supplies and equipment for schools and colleges, 1942-1946, \$6,083.

National Board for Promotion of Rifle Practice, Army:

Promotion of rifle practice, 1942-1946, \$17,500.

Inter-American Relations, War Department:

Inter-American Relations, War Department, 1943-1946, \$30,000.

National defense activities, War Department, 1942-1946, \$2,659.

Office of the Secretary:

Contingent expenses, War Department, 1942-1946, \$1,200,000.

Printing and binding, War Department, 1942-1946, \$4,500,000.

Emergency funds appropriated to the President:

Emergency fund for the President, national defense (allotment to War), 1942-1946, \$10,000,000.

In all, title II, \$1,554,490,612.

TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:

Naval Research Laboratory, 1946, \$57,000.

Ocean and lake surveys, Navy:

Fiscal year 1944, \$48,925.

Fiscal year 1945, \$7,953.

Bureau of Naval Personnel:

Naval Training Station, Lake Pend Oreille, Idaho, 1944, \$11,486.

Naval Training Station, Port Deposit, Maryland, 1946, \$50,000.

Libraries, Navy, 1945, \$171,373.

Welfare and Recreation, Navy:

Fiscal year 1945, \$1,968,936.

Fiscal year 1946, \$2,000,000.

Naval Reserve Officers' Training Corps:

Fiscal year 1944, \$8,608.

Fiscal year 1945, \$62,595.

Fiscal year 1946, \$250,000.

Naval prison farms and prison personnel (receipt limitation), 1944, \$38.

Bureau of Ships:

Maintenance, Bureau of Ships:

Fiscal year 1942, \$3,090,591.

Fiscal year 1943, \$53,724,957.

Fiscal year 1946, \$30,000,000: *Provided*, That this appropriation shall be available for continuing the purposes of the appropriation "Defense installations on merchant vessels, Navy", when such latter appropriation is exhausted.

Bureau of Ordnance:

Ordnance and ordnance stores, Navy:

Fiscal year 1945, \$205,247,233.

Fiscal year 1946, \$100,000,000.

Bureau of Supplies and Accounts:

Pay, subsistence, and transportation, Navy, 1944, \$2,763,960.

Pay and subsistence of naval personnel, 1946, \$200,000,000.

Maintenance, Bureau of Supplies and Accounts:

Fiscal year 1944, \$5,000,000.

Fiscal year 1946, \$13,657,000.

Transportation of things, Navy, 1946, \$125,000,000.

Fuel and transportation, Navy, 1945, \$20,000,000.

Naval Stock Fund, \$275,000,000.

Bureau of Medicine and Surgery:

Medical Department, Navy:

Fiscal year 1944, \$2,372,599.

Fiscal year 1945, \$7,000,000.

Fiscal year 1946, \$17,000,000.

Bureau of Yards and Docks:

Maintenance, Bureau of Yards and Docks:

Fiscal year 1944, \$1,500,000.

Fiscal year 1945, \$4,000,000.

Fiscal year 1946, \$100,000.

Public Works, Bureau of Yards and Docks, \$190,000,000, and the contractual authorization for "Public Works, Bureau of Yards and Docks", available in the fiscal year 1946, is hereby further reduced in the sum of \$5,000,000, applicable to projects within the continental limits of the United States, and neither the appropriation nor contractual authorization under this head shall be available after February 25, 1946, for the acquisition of land (other than for the authorized vessel-berthing program), except in pursuance of a specific appropriation: *Provided*, That the restriction on the use of the appropriation and contract authorization in the amount of \$1,500,000 applying exclusively for field house at United States Naval Academy, Annapolis, Maryland, including acquisition of land and accessories as authorized by law is hereby canceled: *Provided further*, That the rescission of \$13,657,000 in the appropriation "Maintenance, Bureau of Supplies and Accounts, 1946", hereinbefore provided for in this Act, is hereby canceled, and such appropriation is hereby increased by \$11,763,480 by transfer of such an amount from the reduction hereinbefore provided for in this Act in the "Naval Stock Fund", instead of such amount of \$11,763,480 being carried to the surplus fund and covered into the Treasury.

Bureau of Aeronautics:

Aviation, Navy:

Fiscal year 1943, \$265,000,000.

Fiscal year 1943-1944, \$10,000,000.

Fiscal year 1944, \$260,000,000.

Fiscal year 1946, \$190,784,500, and subappropriations under this head are hereby decreased as follows: (1) New construction and procurement of aircraft and equipment, spare parts, and so forth, from "\$128,116,900" to "\$94,737,200"; (2) replacement of navigational and radio equipment for aircraft in service, and so forth, from "\$44,934,000" to "\$34,917,200"; and (3) maintenance, repair, and operation of aircraft factory, air stations, and so forth, from "\$800,374,950" to "\$652,986,950".

Marine Corps:

General expenses, Marine Corps:

Fiscal year 1944, \$10,000,000.

Fiscal year 1945, \$10,000,000.

Increase and replacement of naval vessels:

Increase and replacement of naval vessels, construction and machinery, \$602,491,000.

Increase and replacement of naval vessels, armor, armament and ammunition, \$338,848,000.

Increase and replacement of naval vessels, emergency construction, \$20,387,000: *Provided*, That the proviso in Public Law 301, Seventy-ninth Congress, approved February 16, 1946, under the head of "Increase and replacement of naval vessels, emergency construction", is amended to the extent that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 per centum on that date will be completed.

Repair facilities, Navy:

Repair facilities, Navy, \$18,281,000.

Coast Guard:

Pay and allowances, Coast Guard:

Fiscal year 1944, \$11,816,086.

Fiscal year 1945, \$5,940,838.

Fiscal year 1946, \$7,000,000.

General expenses, Coast Guard:

Fiscal year 1944, \$136,250.

Fiscal year 1945, \$48,286.

Fiscal year 1946, \$1,500,000.

Retired pay, former Lighthouse Service, Coast Guard, 1946, \$41,000.

Salaries and expenses, Merchant Marine Inspection, Coast Guard, 1945, \$5,985.

NAVY DEPARTMENT

Salaries:

Salaries, Compensation Board, 1944, \$109.

Salaries, Bureau of Naval Personnel, 1945, \$577.

Salaries, Hydrographic Office:

Fiscal year 1944, \$65,119.

Fiscal year 1945, \$30,461.

Salaries, Bureau of Ships, 1945, \$7.

Salaries, Bureau of Supplies and Accounts, 1945, \$33,299.

Salaries, Bureau of Yards and Docks, 1945, \$153.

Contingent expenses:

Contingent expenses, Navy Department, 1945, \$106,000.

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,000,000".

Printing and binding, Navy Department, 1945, \$2,118,500.

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$8,500,000".

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1945, \$52,000.

Fiscal year 1946, \$600,000.

TRANSFER OF APPROPRIATIONS

Transfers of the amounts hereinafter set forth shall be made from the appropriation "Aviation, Navy, 1946," to the following appropriations:

Navy War College, 1946, \$37,000;

Naval Training Station, Newport, 1946, \$907,000;

Pay, Naval Academy, 1946, \$159,000;

Naval Home, 1946, \$12,640;

Pay, subsistence and transportation, 1943, \$5,000,000;

Maintenance, Bureau of Supplies and Accounts, 1943, \$350,000;

Maintenance, Bureau of Supplies and Accounts, 1945, \$29,364,000;

Fuel and transportation, Navy, 1944, \$1,415,000;

Salaries, Office of the Commandant, United States Coast Guard, 1946, \$265,000;

Civilian employees, Coast Guard, 1946, \$395,000;
Salaries, Merchant Marine Inspection, 1946, \$72,000;
In all, \$37,976,640.

NAVAL STOCK ACCOUNT AND FUND

Effective April 1, 1946, the limitation, specified in the First Supplemental National Defense Appropriation Act of 1944, on the value of stock in the "Naval Stock Account" plus outstanding obligations under the "Naval Stock Fund" shall be reduced from \$2,250,000,000 to \$2,000,000,000 and thereafter said stock and obligations shall not exceed at any time said latter amount.

In all, title III, \$3,015,379,424.

GENERAL PROVISIONS

The War and Navy Departments are hereby relieved from reimbursing each other from the appropriations of the "Military Establishment" and the appropriations of the "Navy Department and the Naval Service" for the amounts which on the date of this Act may be owing by either Department to the other (exclusive of working fund accounts) for materials, supplies, equipment, or services furnished to either of said departments by the other, prior to September 1, 1945. The department furnishing such materials, supplies, equipment, and services shall be responsible for the expenses arising in connection with the termination of contracts or settlement of the accounts in connection therewith.

The defense aid (lend-lease) appropriations made to the President are hereby relieved from reimbursing the appropriations of the "Military Establishment" and the appropriations of the "Navy Department and the Naval Service" for any amounts owing on the date of this Act to such appropriations for materials, supplies, equipment, or services which, pursuant to the authorization or direction of the former Foreign Economic Administration or the State Department, were furnished by either the War or the Navy Department to any foreign government under the provisions of the Lend-Lease Act, as amended: *Provided*, That of the reduction of \$1,080,000,000 made in the appropriation "Defense aid—lend-lease" under title I of this Act, \$135,000,000 shall be transferred to the credit of the appropriation "United Nations Relief and Rehabilitation Administration, 1944-1946", instead of being carried to the surplus fund and covered into the Treasury.

SEC. 301. This Act may be cited as the "Second Supplemental Surplus Appropriation Rescission Act, 1946".

Approved May 27, 1946.

